



The Nation's Business



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Secretary Redfield on the Business Situation

Editor, THE NATION'S BUSINESS:

A manufacturer whose plant was in Liege or Lille would find no strong ground for cheer in the condition of either of these industrial centres. In either of these cities financial, economic, possibly even physical destruction would threaten his business. One cannot but sympathize with the misfortunes that have befallen industries in all the belligerent countries, and be, therefore, so much more grateful that no like fate threatens our own. Let the worst be said and admitted that can be said respecting existing business difficulties in America, our condition still remains not only relatively bright but rapidly improving, and in many respects both prosperous and promising. There is always room in a country as large as ours, and with such various conditions as exist in its different portions, for the pessimist to find some hook on which he can hang his mournful prophecies. One need not react to the other extreme and exclaim that the special prosperity of one is an indication of equally good conditions everywhere. The truth lies between but no observer of the large movements in our commerce today fails to recognize the great improvement that has been made in business conditions within the last few weeks and which is still progressing. The payment of our foreign obligations is no longer cause for serious worry since an import excess of twenty millions in August has been changed to an export excess of approximately sixty millions in October. This favorable process continues and there is every indication that it is likely to continue long. The deficit in our bank reserves in New York, which was as low as forty-three million dollars in August, rose to a surplus reserve early this month of nearly eighteen millions. The course of exchange has become more normal. Clearing house certificates are being retired. Large sums of emergency notes have been withdrawn and with the opening of the Federal Reserve System great additional supplies of loanable funds have become available. There is no longer serious concern over our financial future.

One can look back calmly now to the first weeks of August when there was a wheat embargo which some feared might mean sad loss to many of our farmers. Those same farmers are prosperous today for wheat exports have been unprecedented in amount and at profitable prices.

Cotton has begun to move and existing arrangements promise relief from the shadow which has so long hung over our fellow citizens in the South. If both money and crops are in far better con-

dition than they were months ago and if both are in some respects in excellent condition, the same is true of our industries. They are not all fully occupied as facts in the iron and steel trade show and there remains still a surplus of idle cars. One does not hear as much of the number of cars in use as is said of those which are idle and one wonders whether the proportion of idle cars to the total, if it were stated, would not give a different impression from that which is made by the present form of statement. However, he who wants may read plain facts which show on every side not only a marked hopeful feeling in industry but tangible facts on which such feeling rests. All problems are not worked out yet to perfect solution. That could hardly be with most of the business and industrial part of the world engaged in destroying life and property on a colossal scale.

Nevertheless, on many sides mills are busy and factories running full time or over time; the number of unemployed is steadily getting less. The coming winter throws no such dark shadow before as was feared a few weeks ago, and the statement is beginning to be heard here and there that goods cannot be delivered as promptly as they are wanted because the factories are too busy. The world abroad, both that part of it which is in arms and that which is at peace, is turning toward America for a large portion of its supplies, and the phrase "Buy it in America" has come to have a potency that has hitherto been lacking. The improvement in conditions, however, is not wholly due to the war. Great and growing as our exports are, they form but a small portion of all of the total business that is going on and which is constantly increasing. A knowledge that products can be sold, the certainty that money can be had to finance business and enterprise; these and facts like these have brought fresh confidence into our domestic markets at the same time that foreign buyers have entered them.

We may be grateful, therefore, in a sense both calm and confident, not only that we are far better off than are our suffering brethren beyond the sea but that we are better placed ourselves at home than we were a few weeks since. We may be glad that the present is good; thankful that it is growing better and hopeful for the coming months.

Very truly yours,

WILLIAM C. REDFIELD,
Secretary of Commerce.

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ACTING EDITOR

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THE CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

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THE Annual Meeting of the Chamber of Commerce of the United States will be held in Washington, February 3, 4 and 5, 1915. All of the members of the Chamber have received notices of the meeting and each organization is urged to appoint its full quota of delegates. The meeting of the National Council will be held on the afternoon of Tuesday, February 2nd. The Council at this meeting, among other important things, has to pass on the program for the Annual Meeting and a small Committee has been provided to prepare this program.

No meeting in the history of the Chamber can begin to compare in interest with the one to be held next February and a larger attendance than ever before is confidently expected. The commercial upheaval created by the European war, the business legislation that has been enacted by Congress, the many new problems involved in the development of the foreign trade of the country, and the insistent demand for the upbuilding of American shipping in connection with the new opportunities for foreign trade, present a situation worthy of the most careful consideration and discussion by the business interests of the entire nation.

Committees of the Chamber are now at work on important reports having a direct bearing on present and future conditions of business which will be submitted at this meeting. At a time when business legislation has been and is likely again to be the chief concern of the Congress of the United States and when, in view of the war, business must look to Government cooperation and assistance if it is to take the fullest legitimate advantage possible of the opportunity now offered for the development of American foreign trade, it is distinctly appropriate that the meeting should be held in Washington.

AMONG the subjects of greatest interest and importance coming to the attention of the Directors during the Southern trip was the need of more skilled farmers to develop the millions

of non-producing but wonderfully productive acres. The question of how best to divert immigration southward from New York, Boston and Philadelphia and other northern ports has been considered by many business organizations, but it was not pointed out that any of them were taking any effective action just at this juncture towards bringing more immigrants from Northern Europe direct to any of our southern ports.

That we will receive a larger influx of European peoples of a far better class within the next few years than in recent decades, is the fixed belief of all who have given the subject thought—that far more of these should enter our country through our southern ports and remain as home makers in the Southland carries promise of such benefits to all concerned as to permit of no contrary opinion. It requires no strain of the imagination to see thousands of the best farmers now in Belgium, Germany and France, who will turn their eyes to America as a place to make their future home. The men returning from the war will see on every hand many reasons why they would lose little by starting anew—the home attachments broken by the fact that many will not return from the war—the sad memories,—will make many of the type of citizens we most need seek forgetfulness in a new environment in the United States.

It therefore becomes a question of first magnitude for commercial organizations, especially those in the South, to take action to secure and care for these new citizens. Several organizations have standing committees holding offers from responsible land owners who will build houses on forty or eighty acres of desirable land to be sold at very low prices on long time payment without interest. The person buying through the organization is assured of the best value, a good title, and a square deal. The problem of financing a family over the first crop season is arranged by securing credit for implements, tools, and seeds as well as for food supplies. These arrangements in the hands of the organization in which the immigrant has full confi-

dence, together with necessary information about the country, climate, crops, etc., will go far to divert immigration along desired channels. It would appear that at this time there is no work more far-reaching in results or more permanent in character than that of building up the "back-country" around the city. THE NATION'S BUSINESS will be glad to receive details relative to any plan now in operation or any proposed plan in keeping with the idea mentioned.

IT is a most unfortunate fact, and perhaps the one that more than any other destroys the fine effectiveness of commercial organization work, that the majority of business men believe their responsibility ends with the payment of their dues.

As a matter of fact a commercial organization can exist longer and produce better results with full loyal active support from members without money, than with a full treasury but empty chairs around the council table.

Within the year in a large middle-western city, the question of paving several miles of streets was up for decision by the City Fathers. As is ever the case, the available appropriation was far too small to do all that was really needed. Therefore, committees from various wards were calling and presenting their claims for preference to the City Council. The people on the Avenue organized the "Avenue Residents' Mutual Protective Association," elected the most prominent citizen as President, selected a dozen prominent men as Honorary Vice Presidents, hired a Secretary, assessed themselves and paid a good working fund into the treasury and adjourned—and never again was the Secretary able to convene a quorum to transact business. Each member was "too busy." He would "do his share" by liberal contributions. The Secretary was without moral support; the organization without moral fibre, the Avenue without new pavement. Over on H-street, the small business people and residents were entitled to no more than those of any other similar street, but they "got together," talked it over and decided that all should act and press their demands. As a result when the H-street organization appeared in the City Hall, there were 127 members there in the room to back their spokesman. The Mayor remarked that the H-street organization must be a very large one to send such a committee to represent them but was told "This is no committee. Every man on H-street is here but one; he went to a hospital this A. M., but is represented by his wife." His honor said "Gentlemen, I for one, am for giving these people all they ask for. When 100 per cent of a people make their wants known in this way, there is no denying them anything."

Perhaps there is no problem that causes the organization secretary such deep concern as this one of securing real help from members in their own interests. The secretary can secure data, handle correspondence, arrange meetings, present arguments, but without the personal appearance of the members behind a movement, in other words, unless the Secretary can show in no uncertain manner that his entire organization demands, and is determined to be considered in certain things, his efforts will fall short.

More and more every year, business men are realizing that they owe something besides taxes to the community wherein they do business. It is the duty of the man of affairs to give of

his time because the value of his counsel in public matters is as the value of his time—the more idle time he has the less value he is to his community. It is a truism in public as in private affairs "if you want anything done, you must get a busy man to do it."

FOUR of the recently appointed Commercial Attaches, Mr. Baldwin, Dr. Veditz, Dr. Hale and Mr. Havens, have already sailed for their posts abroad. The remaining five (nine have thus far been appointed) are completing their arrangements and will soon sail for the scenes of their future work on behalf of the business interests of the United States.

The Commercial Attaches and the countries to which they are assigned are as follows:

A. H. BALDWIN, London, England.
Dr. C. W. A. VEDITZ, Paris, France.
ERWIN W. THOMPSON, Berlin, Germany.

HENRY D. BAKER, Petrograd, Russia.

PROF. LINCOLN HUTCHINSON, Rio de Janeiro, Brazil.

Dr. ALBERT HALE, Buenos Aires, Argentina.

A. I. HARRINGTON, Lima, Peru.

VERNE L. R. HAVENS, Santiago, Chile.

JULEAN H. ARNOLD, China.

The importance of this new service cannot be overestimated, especially at this time when the established channels of international commerce have been so suddenly closed.

The scope of this endeavor on the part of the Attaches to assist the United States to maintain the best of the old and to grasp the new business, is shown in the territories to be covered by them.

Secretary Redfield has impressed upon the business men of the United States that the Commercial Attaches are their representatives and are at all times ready to serve their interests. Business men are urged to write to them, addressing them in care of the United States Embassy in the country designated, stating any definite problem of their business, putting it squarely up to the Attache to investigate conditions and report in detail what can be done to make for a larger and more profitable business in each particular case.

Charts for Members

THE Bureau of Standards of the Department of Commerce has prepared and published in colors a graphic chart of the tables of Weights and Measures in the Metric System, showing in full size illustrations the relative proportion of the metre, kilogram and litre, as compared with our yard, pound and quart.

Frequent reference to the chart will do more than anything else to familiarize one with the only standard of all international business dealings and should be before every business man. At the request of THE NATION'S BUSINESS the Bureau of Standards will send one of these charts to each of the constituent members of the National Chamber. Member organizations are urged to have them framed and hung in the assembly room. Any member not receiving a copy by December 1st, should notify THE NATION'S BUSINESS and a copy will be forwarded to him.

Annual Meeting, Washington, February 3rd, 4th, 5th, 1915

Possible Legislation of the Winter Session

The final Session of the Sixty-Third Congress convenes on December 7. More than one thousand bills have business importance, and have been recorded in the Legislative Bulletins of the Chamber. At least seventy-three bills affect railroad interests alone. Fifty-four of the bills of business importance have advanced through one or more legislative steps. A number have passed one House. The proposals in bills before Congress have immediate significance.

WITHIN every Congress there are at least two sessions, a long session, which opening in December of the first year lasts until Congress chooses to adjourn, and a short session, which begins in December of the second year and must end on March 3.

LAPSE OF BILLS

At the end of a short session every bill which has been introduced during the two years of the Congress, and which has not become law, forthwith expires and ceases to have any legislative status, no matter how far it has progressed short of enactment. Thus, every bill now pending in Congress which has not had the President's approval before noon on March 4, 1915, will become of no effect, lose any advance it may have had, and in order to obtain further consideration will have to be introduced anew in the next Congress and once more take its chances in the legislative stages which lead to enactment.

GENERAL LEGISLATION

Upon proposals which in the present Congress have gained some ground through being the subject of hearings, being reported from committee, having been passed by one House, and the like, advocates will concentrate all the effort they can summon. The necessities of governmental administration, which demand passage in the short session of twelve appropriation bills carrying supplies of money aggregating \$900,000,000,—and passage of these bills involves the reading of hundreds of pages of detailed items of proposed expenditures with possibilities of debate and filibuster on each item,—considerably hinders the chances of general legislation.

COTTON LEGISLATION

Nevertheless, there are always opportunities for action on measures other than money bills. Immediately upon the opening of the next session on December 7 the House, before appropriation bills are reported from committee, will have a number of days on which it can turn to general legislation. In fact, as things now stand, the House will have as its first business a vote upon a project to have the United States issue \$250,000,000 of its Treasury notes and deposit them in national and state banks in the parts of the country where cotton and tobacco are grown. As security the Secretary of the Treasury would take warehouse receipts for cotton and tobacco. This plan will probably be voted down by the House; in the Senate a somewhat similar bill has already received an adverse vote. It is possible, however, that an agreement may be made for the House to postpone action on this measure until a special committee appointed in October can make its recommendations on the form legislation should take for financial relief to growers of cotton.

Immediately after voting on the question of an issue of Treasury notes the House will vote upon two bills which through their direct relation to banking will increase the credits available in cotton-growing States; both bills have already passed the Senate and have the support of the Federal Reserve Board. Under one of these bills banks in the South, which hold much commercial paper but relatively

few bonds, could increase the emergency currency they can obtain upon security of commercial paper by forty or fifty million dollars. The other bill, by allowing banks which are members of the Federal Reserve system to place on deposit with Federal Reserve Banks all of the reserves they now must hold in their own vaults, would increase the lending-power of the Federal Reserve Banks which deal with the South to the extent of \$196,000,000.

In October the President urged that on behalf of the South the House should at once vote upon another measure which is on its calendar,—a bill licensing warehouses through the Department of Agriculture. This plan is meant to make warehouse receipts, including receipts for cotton, more acceptable as security for commercial paper. This bill, too, has already passed the Senate, although in such a different form that the two Houses will have to reach a compromise in conference.

THE SENATE

While the House debates appropriation bills the Senate will have several weeks before the Christmas recess which it can devote to general legislation. A bill on the Senate's calendar which will probably be pressed for early consideration amends the Federal Reserve Act by increasing the number of State banks which may be admitted to the Federal Reserve system, adding to the powers of the Federal Reserve Board, and giving banks in the system authority to accept bills of exchange arising out of domestic transactions.

Convict labor may be a subject of legislation, for two bills which have already been passed by the House are on the calendar of the Senate. One bill makes goods of this kind carried in interstate commerce subject to the laws of the state of destination, and the other forbids their importation from abroad.

Federal aid in the construction of highways has been much advocated. The Shackelford-Bryan bill has passed the House and is ready for action in the Senate. The appropriation which it carries, \$25,000,000, may for the present prove an obstacle.

The Burnett immigration bill, distinguished for its literacy test and much like the bill which was vetoed in the preceding administration, has likewise passed the House and come from committee in the Senate. It may not be pressed further at this session, but is nevertheless ready for action.

A federal bureau of labor safety, to be concerned with safety devices for use in industries and with vocational diseases, is proposed in another bill which has passed the House and may at once receive attention in the Senate.

GOVERNMENT MERCHANT VESSELS

When the President addresses Congress, on December 8, he may indicate subjects for legislation which he thinks are important. At present he is expected to include the purchase and operation of merchant vessels by the United States through a corporation which the Government would control. The Alexander bill, which proposes this plan and provides funds to the extent of \$30,000,000 through sale

of Government bonds together with an appropriation of \$10,000,000, is upon the calendar of the House, ready for attention. An amendment may be proposed, to authorize the United States after purchasing vessels to charter them to individuals and corporations that can show they possess adequate working capital. Attempts were made in the autumn to get immediate consideration for the Alexander bill and to expedite its passage in the House by permitting but four hours of general debate.

The Alexander bill has been advocated not only on the ground that it would provide steamers under the American flag to carry mails and merchandise but also because the government-owned vessels would in effect regulate the rates charged by private lines for ocean freights.

Direct and sweeping regulation of all transportation by water is proposed in another bill which has been introduced in the House. This bill is the concrete result of an extended investigation by the Committee of the House on Merchant Marine and Fisheries into combinations among steamship lines, and relates primarily to combinations, agreements, and the like. In these respects, as well as in regard to rates, the bill puts all transportation by water under the jurisdiction of the Interstate Commerce Commission.

RAILROAD LEGISLATION

The railways are most directly concerned, perhaps, in two bills which fix the compensation they receive from the Government for carrying the mails and in a group of bills requiring adoption gradually of equipment designed to promote safety. Upon both subjects there have been hearings.

Compensation to the railroads for carrying the mails has long been a vexed question. As long ago as 1878 a commission spent two years on the subject. Since 1912 another commission,—the fourth to deal with railway mail pay,—has again gone into the intricacies of the matter, in some ways sitting as a court before which the Post Office Department and the railways have been contending parties. At present the compensation is to the extent of ninety per cent based on an estimated weight, as ascertained once in four years at an expense to the Government that runs to several hundred thousand dollars. In August, 1914, the commission made its report, recommending that compensation be based upon the space used, that the rate be correlated to the revenue derived by the roads from passenger traffic, and that the appropriation be increased by about \$3,000,000 over the appropriation of \$62,100,000 for the present year. The commission would give either the Postmaster General or the railroads an opportunity after two years to have the Interstate Commerce Commission determine the reasonableness of the rates it proposed. Bills have been introduced in House and Senate to effect the recommendations of the commission.

Before the commission made its report, however, another bill had been introduced in the House, adopting in general the principle of payment upon a basis of space as subsequently recommended by the commission, but

with such alterations in rates that the railroads contended the present compensation was reduced. After some amendment this bill passed the House, and is now before a Senate committee.

Bills regarding safety equipment,—steel cars, automatic train control, block signals, headlights, etc.,—have been consolidated into one measure after hearings before a House committee. As yet this bill has not been reported to the House, but it represents with some accuracy the form in which legislation on the subject may be advocated, either in this Congress or later.

TRUST LEGISLATION

Restrictive legislation directed at restraints of trade, unfair competition, and the like is probably ended for this Congress. It is altogether possible that any new measures seriously put forward regarding business practices may liberalize the policy of the anti-trust statutes in so far as they apply to export trade. That an inclination exists in this direction was apparent in the summer when Congress accepted a suggestion that the limitations of the Clayton bill upon discriminations in prices and "exclusive-agency" contracts should have no application to sales of goods for export. Indeed, Congress went further in the Trade Commission Act, by directing the commission to investigate trade conditions in countries where combinations and practices may affect the foreign trade of the United States, and to make reports to Congress. There are some indications that legislation on the subject may not now await the reports of the commission.

RESALE PRICES

Since the Supreme Court in a series of decisions between 1907 and 1913 decided in effect that a manufacturer cannot fix a uniform price at which retailers are to sell his distinctive goods, much consideration has been given to the questions involved. At the Second Annual Meeting of the National Chamber there were discussions from several points of view. For about a year the Bureau of Corporations has been examining into the economic advantages and disadvantages of the practice which has now been outlawed.

In the House of Representatives three bills have been introduced which in one way or another make it legal for a manufacturer to fix a uniform price at which his patented, copyrighted, trade-marked, or branded goods may be sold at retail. None of these bills has yet come from committee.

PATENT LEGISLATION

Regarding resale prices for patented articles the Oldfield patent bill, which has been reported from committee in the House, contains a prohibition, thus being opposite in its policy to the bills mentioned above. The Oldfield bill in fact originally anticipated the decision of the Supreme Court. The bill goes farther, in its revision of the patent laws, abrogating a decision of the Supreme Court by preventing a patentee from having protection of the patent laws for conditions which he attaches to a patented article he sells or leases, such as a restriction regarding the kind of supplies that may be used with a patented machine. If a patent is with-

(Continued on page 12)

Report on Sixth International Congress

This report on behalf of the Delegates of the United States Government to the Sixth International Congress of Chambers of Commerce and Industrial Associations, held in Paris, France, June 8, 9 and 10, 1914, has been submitted to the Department of State by Hon. A. M. Thackara, American Consul-General, Paris, France.

THE Sixth International Congress of Chambers of Commerce and Industrial Associations was held in Paris, France, on the 8th, 9th and 10th of June, 1914, under the high patronage of Monsieur Raymond Poincaré, President of the French Republic.

The ninety-one commercial organizations in the United States affiliated with the Congress were represented by nearly one hundred delegates.

The Congress was organized under the auspices of an imposing Honorary Committee, on which the entire French Cabinets and all chiefs of diplomatic missions accredited to France acted as Honorary Presidents, and the highest government officials and men of affairs of France served as members. This Committee brought great prestige to the Congress, and is a demonstration of its importance as a great international gathering.

The Congress owes much of the success of its deliberations thus far to the knowledge of languages and international conditions, and the skill as a presiding officer of its President, Louis Canon Le Grand, who has been its chief executive from the inception of the organization.

The five previous meetings of the Congress, beginning in 1904, were as follows: 1904, Liege; 1906, Milan; 1908, Prague; 1910, London; 1912, Boston.

The Committee of Organization, under the Presidency of Monsieur David Mennet, President of the Chamber of Paris, comprised 14 Vice Presidents and 205 members, and was made up of the 36 members of the Chamber of Commerce of Paris, the Presidents of all Chambers of Commerce in France and other notabilities identified with the commerce and industry of the country. In this connection it should be noted that French Chambers of Commerce are not voluntary associations as in the United States, but are official bodies with well defined powers and responsibilities established by law. The membership is small and is proportioned to the commercial and industrial importance of the town where established. Members are elected for terms of six years by the direct vote of the recognized merchants and manufacturers of their respective districts; they serve without remuneration, but membership is an eagerly sought honor.

An Executive Committee of twenty-three members and a Finance Committee of five members elaborated the details of the organization of the Congress, and of the brilliant official functions which marked the presence of the delegates in France.

OFFICIAL REPRESENTATIVES

Thirty-five countries, colonies and possessions were represented by official delegates, twenty-seven sending one delegate each, six sending two delegates, one (Swedish) sending four, and the United States sending ten. It is respectfully suggested that the United States should send not more than three delegates to future Congresses, of which one appointed from the United States Government Service, one from the Chamber of Commerce of the United States, and one from an American Chamber of Commerce established abroad. It is difficult to obtain constantly concerted ac-

tion with a larger delegation and the great number of official delegates from the United States was an evident source of embarrassment to the Committee of Organization when it came to providing for them at the various official functions. Official delegates should be appointed at least sixty days before the meeting of the Congress. They should be provided in ample time with proper credentials and with general instructions carefully prepared by the Department of Commerce, in collaboration with the Chamber of Commerce of the United States. In the case of the present Congress the official delegates of the United States did not receive their credentials until after the adjournment of the Congress, and were without any instructions or suggestions as to how they should fulfill their mission. It was only through the personal intervention of the American Ambassador, Hon. Myron T. Herrick, that they received recognition.

In addition to the official delegates, the Congress was composed of 1,332 delegates representing 512 Chambers of Commerce and commercial organizations, from 26 different countries and five colonies or possessions, and 236 individuals participated, without vote. Delegates were also accredited by thirty-five extra-territorial Chambers of Commerce, including the American Chamber of Commerce for the Netherlands and Colonies (Amsterdam) the American Chamber of Commerce for the Levant (Constantinople) and the American Chamber of Commerce in Paris.

Official delegates were also sent by the municipalities of Antwerp, Barcelona, Liege, London, Milan and Prague.

EXTRA-TERRITORIAL CHAMBERS

Particular interest attaches to the extra-territorial Chambers of Commerce and to the very important part taken by their delegates in the deliberations of the Congress. Ten of these institutions established in Paris, viz: The American, Austro-Hungarian, Argentine, Belgian, British, Dutch, Italian, Russian and Turkish. Although these extra-territorial Chambers are self-constituted organizations, they receive much encouragement from the governments of the countries they represent, and, with the exception of the American and the British, are in receipt of substantial subsidies. Being uninfluenced by local interests, their activities are concentrated upon the development of the foreign commerce of their respective countries, and as a result of their thorough understanding of the temperament, the manners and customs of the people of the country in which they are located, they have accomplished much in establishing better and more friendly understanding in international relations. The value of such institutions in the development of the foreign trade of the United States cannot be overestimated, and it is submitted that every effort should be made to create American Chambers of Commerce in the principal commercial centers of the world. At present such American institutions exist only in Amsterdam, Berlin, Constantinople, Naples and Paris.

NEW ATTENDANCE RULE

A great handicap to effective action by the Congress has been the increase

in the attendance until the gathering became unwieldy. Under the rules which have been in force until now, individual business men were permitted to attend the Congress on payment of a small fee and participate in the discussions without vote. It has been evident in recent years that this rule has permitted the attendance of a considerable number of people who were attracted in large part by the entertainment, which has always been provided in connection with the Congress, and not by a serious interest in the questions to be discussed. This difficulty will be corrected through the new rule adopted at this session, since all delegates in future, with the exception of the delegates from the various Governments, must be named to represent business organizations officially, and each organization is limited to five delegates.

This will reduce the size of the next Congresses, but it should mean assemblies composed almost entirely of the men of larger calibre and it will also concentrate attention on the discussions which take place.

The large gathering of statesmen and leaders in commerce at the Congress included the President of the Chamber of Commerce of Paris, President of the Municipal Council of Paris, Military Governor of Paris, Prefect of Police, President of the Permanent Committee of the Congress, President of the Executive Committee, President of the German Reichstag and the Berlin Corporation of Senior Merchants, Councillor of the Ministry of Commerce of Austria, President of the Vienna Chamber of Commerce, President and Chairman of the Council of the London Chamber of Commerce, President of the British Imperial Council of Commerce, President of the Association of Chambers of Commerce of Great Britain, President of the Chamber of Commerce of Belgium in Paris, Member of the Spanish Senate and President of the Chamber of Commerce of Madrid, President of the American Chamber of Commerce in Paris, Member of the Italian Senate and President of the Italian Union of Chambers of Commerce, President of the Chamber of Commerce and Industry of Holland, Representative of the Association of Industry and Commerce of Russia, and the President of the Swiss Union of Chambers of Commerce.

PERMANENT COMMITTEE

The choice of the place of meeting, elaboration of the program, preparation and distribution of reports on the subjects for discussion, etc., are in the hands of a Permanent Committee under the Presidency, from the first, of Monsieur Canon-Légrand (Belgium). The official name and address of the Committee is: Comité Permanent des Congrès Internationaux des Chambres de Commerce et des Associations Commerciales et Industrielles, 10 Rue de la Tribune, Brussels, Belgium. Seventeen countries are represented on the Committee, each by not more than three delegates, and not more than three alternates. These delegates are appointed by the Chambers of Commerce and the Commercial Associations of the respective countries. Three hundred and sixty-nine organizations, representing 32 different countries, are affiliated with this Committee.

Up to and including the present

Congress the program of subjects to be brought before the Congress has been established by the Permanent Committee, either of its own initiative or as a result of motions made at a previous Congress. Official reports on each question giving an expose of the subject and definite recommendations are prepared by the Permanent Committee, and these reports form the basis of the discussions and deliberations of the Congress. Whilst the recommendations and proposed resolutions are subject to amendment, they are only so subject to a restricted degree, as nothing which can be interpreted as new matter is permitted.

CONTINUOUS COOPERATION NEEDED

The method and procedure indicated above have undoubtedly produced valuable and tangible results, and each succeeding Congress has been a record of very real achievement, but nevertheless since the Congress of Boston (1912) there has been a very strong feeling, particularly on the part of the American and the British delegates, that full advantage has not been taken of these great international assemblies. As before stated, the two years interval between Congresses is utilized by the Permanent Committee in the preparation of a program and the elaboration of reports. The affiliated Chambers of Commerce, and Commercial Associations however, remain in utter ignorance of the subjects to be discussed and in consequence are unable either to give them careful consideration, or intelligently to instruct their delegates. Whilst the official reports are only available to the delegates very shortly before each Congress, often not before the opening of the session, and consequently delegates are called upon to debate and to vote upon questions to which they have been able to give but superficial consideration.

The action of the Congress by which a new code of rules to govern its future operations was adopted and agreement reached for the careful presentation of questions to business men in all parts of the world to obtain their opinions in advance of action thereon by future Congresses must be regarded as a great advance step in international relations.

INTERNATIONAL BUSINESS OPINION

It has long been recognized that friction growing out of commercial conditions has been one of the most faithful causes of ill-will between the nations and directly promotive of armed conflict. A permanent organization of the business men of the world constantly at work formulating commercial opinion, and seeking a basis of common action in co-operation with the governments must wield a great influence in establishing better understandings and advancing the prosperity of all people. This development should follow as a result of the plans now to be utilized in the concentration of international sentiment on business questions.

Under the method provided for in the consideration of international matters presented to the Congress hereafter the business men of each country will have the great advantage of knowing the points of view of business men of all other nations, before reaching a final decision as to their attitude on the questions presented.

(Continued on page 12)

The Universal Use of the Metric System.

This article urging the universal use of the Metric System in national as well as in international trading, is prepared by an expert on weights and standards, now in the service of the Department of Commerce.

THE war brings up strikingly the widespread use of the metric system, European armaments being made in metric units, distances, heights, and dimensions being given in official reports in metric units. The diligent press service translates many of these into the English units, but the papers are full of the metric

THE METRIC SYSTEM

The fundamental unit of the metric system is the METER (the unit of length). From this the units of mass (GRAM) and capacity (LITER) are derived. All other units are the decimal subdivisions or multiples of these. These three units are simply related, so that for all practical purposes the volume of one kilogram of water (one liter) is equal to one cubic decimeter.

PREFIXES	MEANING	UNITS
MILLI-	= one thousandth	.001
CENTI-	= one hundredth	.01
DECI-	= one tenth	.1
DEKA-	= one	1
HECTO-	= one hundred	100
KILO-	= one thousand	1000

The metric terms are formed by combining the words "METER," "GRAM," and "LITER" with the six numerical prefixes.

LENGTH		
10 milli-meters	mm	= 1 centi-meter
10 centi-meters	cm	= 1 deci-meter
10 deci-meters	dm	= 1 METER (about 40 inches)
10 meters	m	= 1 deka-meter
10 deka-meters	dkm	= 1 hecto-meter
10 hecto-meters	hkm	= 1 kilo-meter (about 3/4 mile)
MASS		
10 milli-grams	mg	= 1 centi-gram
10 centi-grams	cg	= 1 deci-gram
10 deci-grams	dg	= 1 GRAM (about 15 grains)
10 grams	g	= 1 deka-gram
10 deka-grams	dkg	= 1 hecto-gram
10 hecto-grams	hkg	= 1 kilo-gram (about 2 pounds)
CAPACITY		
10 milli-liters	ml	= 1 centi-liter
10 centi-liters	cl	= 1 deci-liter
10 deci-liters	dl	= 1 LITER (about 1 quart)
10 liters	l	= 1 deka-liter
10 deka-liters	dkl	= 1 hecto-liter (about a barrel)
10 hecto-liters	hkl	= 1 kilo-liter

The square and cubic units are the squares and cubes of the linear units. The ordinary unit of land area is the HECTARE (about 2 1/2 acres).

system which is fast becoming familiar to the general public. Even in far off Manchuria the battle of "203 Meter Hill" shows that the metric system has arrived in the Orient, in fact the latest news from China indicates that she is planning the adoption of the metric system.

FOREIGN TRADE REQUIRES THE METRIC SYSTEM

Our customs service requires all imports from metric countries to be invoiced in the metric system. This means that more than half our imports are not merely made in metric countries, but billed in metric terms. Likewise in our exports the metric countries generally require our merchants to invoice their exports in metric units. Some progressive firms prepare packages in an even number of metric units, kilos, liters, etc. Consuls in both England and America have for years been urging exporters to adopt the metric system for export trade, saying that our weights and measures are a serious obstacle to the development of foreign trade. We would not try to sell speedometers rated in miles, nor tapes in inches, in metric countries. Many firms carry two series of sizes through their factories, one in the metric system for foreign trade, the other in the English system for domestic trade. One firm alone stated that it carried five thousand different sizes and styles of drills, in each size and style carrying 12 to 1000 drills, and for all these duplicating the stock in metric units. Clearly the burden of two systems is a serious one in the export trade.

IN WORLD-WIDE USE

The following countries have officially adopted the metric system by laws making its use obligatory:

Argentina	Hungary
Austria	Italy
Belgium	Luxemburg
Brazil	Mexico
Bulgaria	Nicaragua
Chile	Norway
Colombia	Peru
Congo	Portugal
Costa Rica	Portuguese Colonies
Cuba	Roumania
Denmark	Salvador
Dutch Colonies	Servia
Finland	Siam
France	Spain
French Colonies	Sweden
Germany	Switzerland
Guatemala	Tunis
Holland	Uruguay
Honduras	

The above list comprises the great majority of modern governments. The movement in Great Britain is pressing for the adoption of this system. The prime ministers of the British Colonies have unitedly urged the Home Government to adopt it. The Australian parliament by vote 35 to 2 urged the same action in adopting the decimal system. It may be safely said that there is no country in the world where its use is not permissive or obligatory.

WHY IT SHOULD BE ADOPTED

So serious is this obstacle to the development of foreign trade, that the American Chamber of Commerce of Paris held a special meeting some time ago and urged in a series of resolutions that Congress should take steps to bring about the early adoption of the metric system, stating among other things that "The American Chamber of Commerce of Paris is profoundly convinced that the adoption by the United States Government of the metric system would greatly simplify the exchange of commodities within the boundaries of the country, and facilitate and notably increase foreign trade." Also in domestic trade and industry the metric system is most urgently needed. The vast variety of local systems and units of measure is reflected in the Standard Dictionary where many hundreds of names of units are listed. Professor Mendenhall, a high authority, sometime ago estimated that at least 50 billion transactions require measures every year, "nothing else is so universal as the use of weights and measures, and in nothing else would an improvement be so universally felt." Enlightened sentiment in this country is overwhelmingly in favor of the adoption of the metric system.

NECESSITY RECOGNIZED

Happily more than a century ago the movement for unifying weights and measures became imperative. Many thinkers added impetus and ideas to the movement which gradually crystallized into the plan for one simple decimal system for the whole world, all the units of which should be derived from the unit of length. The inventor of the steam engine, James Watts, suggested the latter principle and Mouton of France suggested a simple system of self-defining names. In the latter part of the 18th century

the international metric system was established, and an era of unification of measures begun. So profound a change naturally took many years, but now the metric system is either legal or obligatory in all nations of the world. The international postal union, the international systems of time, longitude, etc., have proved the inestimable value of placing unification so fundamental upon a world basis. The metric system is the only international system, and has been adopted by so large a majority of the nations that the time has gone by for doubting its ultimate adoption by the entire world.

ADVANTAGES AND OBJECTIONS

It is hard to believe that in this age any one will object to world unification of measures. Inertia, ignorance, or selfishness may exist as causes of backwardness. One point quoted against the system, is that it is "French." Germany adopted the metric system after defeating France in 1870 showing a freedom from such absurd national bias. Progressive commercial men adopt the best systems of salesmanship regardless of their source. The metric system is not now French, although France took the initiative. It is a world system originally adopted and now maintained by international cooperation of the 26 leading nations of the world.

Some doubt the ease of learning the metric system. The English system is however impossible to learn. That the metric system is easy may be seen in the countries where the children in the earliest grades learn the units and are familiar with the quantities involved. This contrasts sharply with the slight knowledge of the common units of weight and measure in the U. S. on the part not only of children but of business men. The metric system uses but five names of units, six short numeral prefixes, decimally related, all so simply interconnected that the system may be learned in an hour, and used as soon as learned without special practice. Among the many advantages of the metric system may be mentioned the decimal ratio. Counting by tens, the only number that need be remembered is 10. The square would thus be 100, the cube 1000. Just as we count by tens in our arithmetic and in our coinage, so the metric system counts by tens,—for the first time unifying all computations upon the simplest basis.

SIMPLICITY OF SYSTEM

The metric system has been described as "in design the greatest invention of human ingenuity since that of printing." The units of length—the meter—divides by tens (like the dollar) into tenths and hundredths. The "meter" (unit of length) divides into the centimeter and millimeter (like the cents and mills of our coinage). The decimal part of a meter,— "decimeter"—is about a "hand" or four inches. The decimeter cube is a unit of volume. That volume of water gives the unit of weight. Six numeral prefixes and five names give all metric tables of weight and measure, which can be formed by all metric tables of weight and measure, which can be formed by any one. Each term is a definition and the prefix indicates the numerical value. A simpler scheme could not be devised. The essentials of the metric system can be learned in

a few minutes. Workmen take up its use almost without instruction, in fact in metric countries the people need practically no formal instruction in the system. In contrast with the extreme ease with which the metric system may be learned is the fact that no living American can repeat the tables of weights and measures used in this country.

WORKING OF METHOD

The fact that each term in the metric system means but one thing is a welcome feature to metrologists who have been struggling for centuries with a vast array of units, many of them having widely differing values. When Germany adopted the metric system at the close of the Franco-Prussian war, the meter replaced the 12 or more values of the "foot" used as units of length in the several States of the German Federation. The metric system is fast bringing order and simplicity out of chaos. Recently the international carat has been standardized at 200 milligrams, replacing the many valued, highly ambiguous term "carat" heretofore used in many lands. All commerce and industry will benefit by adopting the metric units of measure which are definite and free from ambiguity. The metric system is in this country and is here to stay. It would doubtless be simpler to use the metric system only, since this would enable us to deal with the entire world and give us measures in harmony with the rest of the world. The entire system of scientific and electrical units are now based on the metric system, and to this is largely due the rapid advance in science during the past 50 years.

THE NATION DEMANDS THE METRIC SYSTEM

With the widespread and growing use of the metric system the enlightened industrial and professional interests are coming more and more to favor the metric system. The American Institute of Electrical Engineers has by formal vote of the Society urged Congress to take action, at various times many other scientific and technical bodies have passed resolutions favoring it, industrial firms and trade organizations have strongly expressed the desire for the new system. Educators desire it for the reason stated by the Electrical World: "It is little short of a crime to take so much from the brief school days of the children of the masses that they may wearily acquire the details of a system that has been cast out by science and rejected by the world at large." Business men are coming to see that we must be alert if we are to enter into business relations with the nations of the world. Mr. Carnegie once said, "Our present system, inherited from Britain, is unworthy an intelligent nation of today. The advantage we possess over Britain in our decimal dollar system as compared with their pounds, shillings, and pence, would be fully equaled by the adoption of a metric system of weights and measures."

ALREADY IN USE

The metric system is the only complete system of weights and measures fully legalized by act of Congress. The Act of 1866 makes its use legal for all purposes. The metric system

(Continued on page 15)

The Future of American Business

By

Harry A. Wheeler

Vice-President of Union Trust Co., Chicago, and

First President of the Chamber of Commerce of the United States of America.

Address delivered by Mr. Wheeler before the National Implement and Vehicle Association, in Chicago on October 23, 1914.

The pleasure which I feel in the privilege of participation on this occasion is founded upon a deep respect which I have long held for the National Implement & Vehicle Association, and a still deeper respect which I freely acknowledge for the business in which you are engaged.

Few lines of manufacture have immeasurably enriched the world while enriching themselves. Yours is one of these, for without the genius which has created, and yearly improved, farm machinery, the cultivated areas of the world would be infinitely decreased, all branches of human endeavor would be retarded, and civilization itself would take a long step backward.

Not spoken in flattery, but as a well deserved praise, there is, to my knowledge, no industry whose production has meant so much to world development as the production of farm machinery.

It is my task tonight to talk to you for a little while about the future of American business. If we should be asked to define the future of American business in a single sentence, looking not to the successive steps which must be taken in the face of contributing and deterring influences, but with the long look to an ultimate goal, we should probably agree that American business bids fair to assume and retain the foremost place in the world's commercial race, and that it would be entitled to this place because it is the embodiment of inventive genius, commercial courage, resourcefulness and adaptability.

Tonight, however, we are concerned about something less remote than that ultimate goal, and we are not to pay pleasant compliments to the profession of business, but to inquire into the factors which have aided in laying our industrial and commercial foundation; to analyze the conditions of today which tend to retard the rapid development of the past, and to ascertain what business must do to lessen the drag and reach a new period of complete National co-operation.

BUSINESS EPOCHS

The first inquiry covers the period from the close of the civil war to the close of the century; the second an equally distinct period ushered in with the present century and completing at least the first part of its definite program of economic legislation with the adjournment of the present Congress; the third has to do with the period upon which we now enter, bringing with it the necessity of putting to practical test the laws recently passed.

We are passing through a period of our National life in which many readjustments must be made, and we are very apt to grow pessimistic when readjustment touches our personal interests and disturbs a condition with which we have been selfishly satisfied.

A pessimism which results from a touch upon the pocket nerve is just as unsound as an optimism which rests its case solely upon the state of trade. Neither touches a fundamental point, and neither is worthy of more than passing consideration. Pessimism is only justified when the foundations of the government are being undermined and the safeguards of the constitution overturned and disregarded. Optimism is only justified when it is based upon National progress born of unity of purpose and confidence in the integrity of all the factors making up a complex National life, and by this I do not mean that we should all think alike but that in our differences of opinion the element of good sportsmanship should exist rather than that of blind partisanship or unreasoning antagonism.

Lest you imagine at the outset that it is my intention to take the position that we have just cause to complain of existing conditions, I am going to assert that never in the history of this nation have we had better reason for genuine optimism than at this time, not because the conditions of today are ideal, but because we are much nearer to an understanding of our present day problems, and it is my hope to show, as I proceed, how logical has been the progress of events and how fundamentally sound is our right to great confidence in the future. I shall make no attempt, however, to predicate this confidence upon those things commonly thought of as closely related to optimism, namely, crop conditions, state of our finances, amicable international relations, absence of over-expansion; rather shall my analysis proceed upon the belief that all of these factors are transient and the only unfailing justification for optimism lies in that National unity to which reference has heretofore been made.

Within the business experience of almost every man in this room the great industrial development of the United States has taken place. In 1870 the total value of our manufactures, including hand and neighborhood industries, totalled but thirty-three hundred millions of dollars, an amount not very much in excess of the claimed value of the commerce of the city of Chicago alone for the year 1913. We had been through a long civil struggle in which disorganization added to sectional hatreds made National progress utterly impossible. In the reconstruction of the Union, we had fought out the question of representation and were getting back again to some measure of real democracy in the voice which each state should have in the affairs of the federal government. Financially we were readjusting our enormous debt and coming to a point where the resumption of specie payment was quickly to follow. The National foundations had been rebuilt and the industrial march which was to surprise the world had begun.

IMPORTANT FACTORS

What were the real factors underlying this development?

One was the increase in population, both natural and due to immigration. Two, the discovery and development of natural resources, wasteful in its

operation it is true, but nevertheless, even in its wastefulness, an important factor in National development.

Three, the settlement and cultivation of the vast reaches of the West, bringing a wealth of foodstuffs with which to feed our everincreasing industrial population and supplying a surplus for export, retaining the balance of trade highly in our favor.

Four, the inventive genius of our own people, and those who were coming to us from Europe bringing with them mechanical skill and ability born of long experience.

All of these are worthy factors, and yet a fair analysis would not attribute to any of them, or all of them together, a complete or adequate reason for the unusual development of the last four decades. Contributing factors they were, but the two chief factors, which some day will probably be fully acknowledged, were the existence of a protective tariff safeguarding our rising industries from destructive foreign competition, and the development of transportation and means of communication, by which not only all parts of our own nation, but all parts of the civilized world became open and accessible markets in which to sell and from which to absorb the products necessary to supplement our own production.

These two factors, to the credit of which lies much of our industrial development, are also responsible for the abuses which have ushered in the new order of things with which we are now contending.

Every period of excess, whether it be of business expansion, of personal indulgence, or of legislative hysteria, must be counterbalanced by a period of reaction. This law is immutable, and in the face of the excesses which resulted from an abnormally rapid development, there arose abuses due to suddenly acquired power where jointly with the power the wise and moderate use of the same was lacking.

Complaint is made that for some years past we have suffered in this country from an open warfare between federal legislation and business; that whereas industrial development in all other nations proceeds under the favor of the general government, here every obstruction that can be placed in the way of business has been devised and utilized, until business is menaced and harassed beyond endurance;—yet if we are fair to our government and honest with ourselves, we are bound to admit that in no nation of which there is any record has there existed so much of helpfulness to industrial development as was given by the United States of America to her industries in the years following the civil war. Even the war tariff, high as it was, was in some respects increased as being helpful to the development of our industrial life. This tax which the government imposed upon the people for the benefit of our industries was gladly paid over a period of many years; and in the development of our transportation systems, no greater generosity is recorded anywhere than that which gave from the public domain one hundred and twenty-five million acres of land to aid in the construction of our railroads, to which might be added the contributions of states from the issue of bonds, and the contributions of the people through their investment in early issues of railroad securities.

BUSINESS REGULATION

It was just as natural that there should ultimately come a demand for regulation as it was natural that the assistance on the part of the government and people should have been originally forthcoming, and there was justice in the demand for regulation in the face of the abuses of power and the arrogance arising from an unduly rapid increase of wealth which gave no consideration to the benefactions of the past and regarded only as vital the selfish interests of those in control.

So, toward the close of the century came the first genuine federal effort at regulation through the passage of the Interstate Commerce Act, with its commission to supervise and regulate railroad operation; a few years later came the enactment of the Sherman Anti-Trust Law to curb the excesses of the great business combinations; and so ended the first period of our industrial development, a period in which capitalism came to be a dominant force with a tendency to oppose all restraint and to assume rights and privileges that did not always square with justice, equity and consideration for the public good.

As we come to the second inquiry with respect to the conditions which tend to retard our development, it is difficult for us to realize how far the pendulum of public opinion has swung until we begin to make comparisons between the Congressional temper of today and that which existed in the early 70's.

Then both federal legislation and executive policy tended to support those things which made for business expansion. The old school of statesman, like Clay, Webster and Calhoun, had given way to such men as Conkling, Platt, Stanford, Payne, Sawyer and Blaine. These men, and those whom they represented, organized gigantic enterprises, secured possession of natural resources, built railroads and cities, and to them it was heresy to retard or obstruct that which made for the progress of business and the development of natural resources. As these men also passed out of public life, the temper of Congress changed again, not along strict party lines, but in response to what was believed to be popular demand.

In the culmination of a legislative program which to business seems extremely radical, and which resulted in a revision of tariff downward, the passage of the Federal Reserve Act, the Trade Commission Bill and the Clayton Bill, we come upon the influences which retard our present industrial operations.

Future of American Business

(Continued)

BUSINESS RETARDATION

What retards business today is not so much that alienation of sympathy and interest between the public at large and the business interests of the country, for while much has been said to arouse the prejudice of the public, the public has already tired of the abuse indiscriminately heaped upon big business, so-called, and public opinion is already swinging back to a normal state of mind. The public is disturbed, and sometimes dismayed, at some of the abuses of power, the effects of which are still felt, but in the main we are coming to realize that history offers to each succeeding generation an opportunity to disapprove the motives and practices of the generations preceding, that each stride forward, bringing with it a clearer conception of human rights and a higher civilization, lies along paths later discarded as unworthy or condemned as immoral. If we are wise we shall not quarrel too much with the past but rather logically accept the ground gained for humanity even by the things we now condemn, and proceed to advance to a higher civilization from what is really a present new point of enlightenment.

Business is troubled today because in the effort to overcome unhealthy conditions of the past we are confronted with the danger of cutting loose from some of our constitutional safeguards, and of making laws and establishing policies which are un-American and likely to be fraught with some danger to our industrial development.

During the last few years we have gradually evolved, as a result of public discussion, the application of many theories, and some practical tests, laws, tending toward a complete supervision by the federal government of the private affairs of men, and thus encouraging the introduction of a paternalism which, in my judgment, is not only unwise but absolutely unadapted to the conditions in the United States of America.

Natural and moral laws teach us the limitations beyond which the man-made law cannot safely go. Nature throws no guardianship around her subjects, but in the development of the species in the animal and vegetable kingdom, survival is because of powers of resistance from within. In the moral law, the doctrine of free moral agency is unquestioned, and while the Almighty may punish an infraction of the moral law, He cannot compel mankind to observe that law. When neither in nature nor the moral kingdom the individual or the unit is made subservient, how can we justify political paternalism?

Individual enterprise and initiative may be destroyed if the struggle for place and power so natural from the beginning of the world gives way to a shielded and regulated existence in which each unit is given the same care and the same reward without regard to effort, strength or higher ability.

There is a real danger in this country, with our present tendency to place everything in the hands of regulating commissions, that we shall be led to experiment with paternalism at the expense of individual enterprise. Self-government was not inaugurated to make the state great at the expense of the people, but to make the state only the instrument to protect the privileges of and insure opportunity for freedom of action of the individual. Mediocrity, power loss and retrogression must ultimately be the heritage of any nation that so safeguards its people and controls their activities as to eliminate reward for merit.

CO-OPERATIVE READJUSTMENT

Finally, what may business do to reach a new period of National co-operation?

First,—there must be a realization that federal and state legislation affecting business will not decrease as the years come and go.

Second,—the old order of individual or corporate control of our law-making bodies for selfish purposes is at an end and will not return so long as the calcium light of publicity plays, as it now does, upon the private relationships of our public officials, and upon our campaign contributions, but a new channel of influence has been developed by the organization of the Chamber of Commerce of the United States and its plan of referendum, which operates with the broadest publicity and is even now coming to be respected by all who have to do with legislation.

Third,—the legislation passed during the present session of Congress presses tremendous responsibilities upon the business men of the country, and I desire to lay especial stress upon the fact that the enactment of legislation is not the end of the chapter but the beginning of a new experience for the commercial interests of the country; it is not the time to accept without protest whatever unfavorable results arise, but rather to analyze and study the application of the law to actual conditions and to contend, as speedily as proper ground may be found, for such amendments as the results of actual experience prove to be necessary.

Fourth,—the tendency to create boards and commissions possessing broad powers of inquiry and regulation has grown mightily in favor during the past few years, and since we have to reckon with these bodies as part of our political machinery, it seems to me particularly necessary that business should organize to co-operate with them rather than assume the attitude of being critically indifferent or positively obstructive. The commissions of today mean more than they did a quarter of a century ago. Then they were apt to be resting places for men worn out in political service, or defeated in their effort to continue therein. Today the effort is made to constitute our commissions from the ranks of men who have achieved and yet who are willing to make some sacrifice for the nation's good. It should be borne in mind that the creation of a commission does not endow its members with any wisdom which they did not originally possess, but if their patriotic purpose is joined to practical business experience by unselfish co-operation of all the interested factors, much will be developed for the National good.

To make my point clear,—I want to suppose that immediately after the appointment of the Interstate Commerce Commission in 1882, the railroads, instead of contending against the proposed regulation, had recognized the right of the government to intervene and had, through a well-intentioned and broad-minded committee, given co-operation to the Interstate Commerce Commission from the beginning of its deliberations. Such co-operation would, I contend, have smoothed out many of the rough places, have saved the Commission from many errors, the railroads from infinite loss and the nation from a sorry exhibition of dishonest flotations and inefficient operation.

That regulation which came to the railroads as a result of the creation of the Interstate Commerce Commission is just as surely coming to business as a result of the creation of the Interstate Trade Commission. You will recall that under the Trade Commission Bill five men are to be appointed by the President, with the concurrence of the Senate, to assume the rather appalling task of inquiring into the irregularities in the conduct of interstate business, to the end that competition may be fully reinstated and an equal chance exist for all men to embark in any enterprise for which they are qualified by capital and experience or inclination.

FEDERAL LEGISLATION

I am appealing to you to support the contention that by the Chamber of Commerce of the United States, or some other thoroughly representative body, there shall be appointed, jointly with the Federal Trade Commission, a representative group of business men, who, in their own way and without interference with the affairs of the commission, shall study the same problems, only from the viewpoint of business, and shall, by conference and co-operation from the very beginning, endeavor to lessen the ill effects which may come from drastic decisions on the part of the commission, and likewise to frankly undertake to justify the conclusions of the commission when in the public interest these conclusions are found to be sane and reasonable.

It will be remembered that in the Federal Reserve Act the law itself provides for such a committee, known as the Federal Advisory Council, composed of one member elected by the directors of each of the Federal Reserve Banks. This Federal Advisory Council is due almost entirely to the original suggestion and persistent effort of the business men of the country exercised through the Chamber of Commerce of the United States, for the bankers were not cordial to this portion of the law and gave little or no assistance toward its adoption. Today, however, it is conceded, not only by some of the members of the Federal Reserve Board, but by the bankers of the country, that the safeguard thus provided assures not only competent advice immediately from the several districts in which the reserve banks are located and available at a moment's notice to the members of the Federal Reserve Board, but when the time comes to offer amendments to the law, it will prove a bulwark of strength to the Federal Reserve Board upon every point on which that Board and the Federal Advisory Council are agreed.

I am particularly interested in laying the foundations for an amicable relationship to exist between the business men of the country and the Federal Trade Commission, and equally in gaining for the Department of Commerce that cordial co-operation without which it can never succeed in any large sense. The Department of Commerce has never commanded the intense interest of the business world, perhaps because it has been presided over largely by professional rather than business men, and because its appropriations have been so insufficient as to make its work almost useless. This, however, is the fault of business. The industrial production of the United States is well in excess of twenty billions of dollars, while the crop value, even in a bumper year, does not exceed one-half of this amount. The Department of Agriculture serves the one, the Department of Commerce the other. The Agricultural Department searches the world in the interest of agricultural production; it is enthusiastically supported by every branch of the government, and, of course is helpful beyond measure to the agricultural interests of the country. Its appropriations are liberal, and its usefulness unquestioned, whereas the Department of Commerce finds it difficult to get a sufficient appropriation to carry on its work, even inefficiently; is denied the funds for the employment of an adequate number of commercial agents or commercial attaches; has to struggle with Congress every time an appropriation bill is up for a slight increase to expand its work;—all because American business, represented by more than twenty billions of production on the one hand, and a great distributive power on the other, has failed in its duty toward its own department and in its insistence that appropriations sufficient to intelligently carry on the work shall be forthcoming from year to year.

The Federal Trade Commission and the Department of Commerce will have much to do with each other, and the question of competition in business will be one of the subjects most frequently discussed. I wonder how much recognition has ever been given by the government to the competition of incompetence? On the surface it would appear that incompetence would eliminate itself, and therefore constitute no menace, but so long as it is a prevalent condition, one incompetent unit in a business will, so long as it lasts, exercise a disturbing influence upon all competing units. The menace of incompetence is not vicious but ignorant, nevertheless, the man who, through ignorance of his costs, throws a loss upon an entire trade, is just as guilty of misdemeanor as the man who deliberately depresses price for the sole purpose of driving out competition, and only by the co-operation of practical men of business can the commission seeking to render a public service jointly with the Department of Commerce devise a means for lessening ignorance and thus largely eliminating what to my mind is one of the most dangerous forms of present competition.

Now, I have undertaken in this general analysis to justify optimism, not by the usual standards, such as condition of crops, state of finances, amicable international relations and absence of over-expansion, but rather to show that we have a reason for optimism deeper than can be supplied by any of these transitory things. We have built a great commerce; we have made our mistakes, we have come to understand what they are and how best to correct them, and we have finally begun to overcome that popular prejudice against successful business and are nearer the point of complete National unity today than we have been at any time during the last decade, and I want to repeat the contention made in the early part of this address, that pessimism is only justified when the foundations of the government are being undermined and the safeguards of the constitution are being overturned and disregarded, and this condition cannot exist so long as business men stand guard. Likewise, optimism is only justified when it is based upon National progress born of unity of purpose and confidence in the integrity of all the factors making up our National life, and this is a state toward which we are rapidly tending.

I hope the pendulum of public opinion will never swing back again to old conditions, but that the steady hand of business, which today stands as the most intelligent factor in our National life, awakened to a sense of its own responsibility, desiring to be fair and conceding the justice of giving up its special privileges, will guide the return to a point of equity for all the people and of justice for all interests.

Observations in the South

By John H. Fahey

President, Chamber of Commerce of the United States.

WE are all of us very glad that we went through the South at this time because of the conditions affecting cotton and southern products generally as a result of the war. It was suggested to us even after arrangements had been made for the trip that we were going to the South at a most unfortunate time and that it might be better to postpone the journey. We are very pleased that we did not do so. The reports which have been circulated giving the impression that the South was nearly prostrated and in a state bordering on panic as a result of the shutting off of exports of cotton, lumber and naval stores have certainly been very much exaggerated. We have had opportunity to talk with hundreds of business men, many bankers, planters, merchants, and commission men. While all recognize the fact that the disruption of business caused by the war brought problems out of the ordinary, we found everywhere the sentiment that time, patience, determination and energy would solve them.

COTTON CROP TOO LARGE

Of course, the South recognizes the fact that it will not receive for its cotton the price it would have obtained if the war had not occurred, yet many are of the opinion that with the large crop it is doubtful if the price would have reached ten cents if peace had continued. It has been apparent that plans must be devised for carrying the crop, and some plan worked out for reducing the acreage next year. Many suggestions have been advanced and many plans discarded, but now there is general recognition of the fact that the completion of the cotton pool and the opening of the federal reserve banking system will provide sound and valuable assistance that will go a long way toward curing the difficulty.

BANKERS CO-OPERATING

In addition to this, the banks and the merchants are really getting together in their determination to work with the farmer in reducing the acreage in cotton for 1915, and thus protect values in the cotton carried over. Under the leadership of the Atlanta Chamber of Commerce more than 3,000 banks in the Southern States have signed pledges agreeing to aid in every possible way the farmers who will cut their cotton crop next year fifty per cent, and turn half their acreage into grain and food crops. Of course it will not be easy to do this everywhere, but there is a determination to overcome whatever obstacles there are in the way and accomplish it. On all sides, we heard the idea expressed that the present example of the unwisdom of depending so largely on one crop would prove a real blessing to the South, and lead to the diversification of crops which the country has needed so greatly.

Cotton has been brought to market rapidly during the last two weeks, and is being sold more freely. The price seems to be hardening slowly but surely, and the general belief is that it has seen bottom. Increasing demands from our own mills and the assurance within the last few days that exports even to Germany and Austria would soon be resumed are proving very effective in steadying the market. Everybody believes that the demand will

constantly increase from now on, and at better prices.

DISTRESS NOT EVIDENT

Aside from this, however, we found nowhere any evidence of distress of any importance thus far. Almost everywhere we heard stories of farmers coming to the merchants to whom they were indebted and to their banks, worried over maturing loans they could not pay in full, only to learn to their surprise and relief that full payment was not expected of them under the circumstances. In most cases where such obligations were payable they have been able to make larger part payments than were anticipated and still have enough left to carry them through the winter. Northern and Western creditors of the merchants and banks are extending their credits in a most helpful way, and southern business men greatly appreciate this attitude. Of course, more obligations are due during the next few weeks and there must be a period of further readjustment, but every one concerned is co-operating in a most generous way and the results cannot fail to show before the first of the year.

DEVELOPMENT CONTINUING

It must be remembered that the South, during the past few years has been enjoying the greatest prosperity in its history, and was better prepared than ever before to meet the present situation. The substantial evidence of this prosperity is reflected in the progress of every Southern city. It would be an inspiration to business men in other parts of the country if they could go through the South today and observe its development. The gain that has been made is surprising, and the plans for further growth made before the war broke are going ahead just the same. Every port is making or planning extensions of its facilities with the money in hand for the work in most cases. The southern port cities are fully alive to the opportunities ahead as a result of the opening of the Panama Canal, and the growth of Central American trade. But more important still is the general spirit of confidence in the future, and optimism which characterizes the Southern business men today.

EDUCATIONAL PROGRESS

More than ever before there seems to be a determination to take greater advantage of the South's tremendous undeveloped resources; and with the energy displayed it is hard to conceive of anything that can stop great progress and prosperity in the Southern States during the next few years. Better organized efforts are being made than ever before to secure new immigration, and broader plans are under way for promoting more efficient agriculture and aiding progressive farmers. In the cities one finds important work being done to establish industries which may successfully develop the South and greater emphasis is being laid on education generally, particularly on the training of young men for commerce and business. The universities are establishing a school of commerce, many of the cities are teaching Spanish and Portuguese in their schools, and commercial education generally is receiving close attention.

PROSPERITY AHEAD

All of these elements are making for an evolution of the South during the next five years which cannot fail to be of the greatest importance to the nation, for there is a wealth of opportunity in this section which the country as a whole hardly understands or appreciates. Out of the hundreds of business men we met we found but five who believed that the United States government should arrange for a bond issue to place cotton in storage and carry it. They were also opposed to state aid for such schemes, and were confident that with the cotton pool completed and the general financial resources available no such schemes should be given serious attention.

Southern business men almost without exception are enthusiastically interested in plans for the upbuilding of our merchant marine, and the broader development of our commercial policies in every direction. They are anxious to co-operate with the business men in all other sections of the country in the most hearty way in every sound project for the development of the country as a whole. They are not seeking sectional advantage but are ready to do their share of the work, and make generous contribution of thought and energy to the progress of the nation as a whole.

Directors' Meeting

THE seventeenth meeting of the Board of Directors of the National Chamber was held in the rooms of the Association of Commerce at New Orleans, La., on October 20th and 21st. The following extracts from the General Secretary's minutes of the meeting show action taken on the principal questions submitted.

The Board was called to order at 10 a. m., October 20, by President Fahey. The members present were: President John H. Fahey, A. B. Farquhar, R. G. Rhett, H. L. Ferguson, W. M. McCormick, J. W. Philp, L. C. Simon, T. L. L. Temple, C. E. Yost and General Secretary Goodwin.

It was voted that Mr. Thomas P. Stearns, President of the Denver Chamber of Commerce be elected to the vacancy in the Board of Directors caused by the resignation of Mr. Charles Boettcher, Denver, Colo.

Organization Membership

The Board heard and approved the report of Secretary Goodwin, setting forth the growth of the Chamber's membership. Five organizations submitted applications and were admitted to the membership, as follows:

ASSOCIATION OF COMMERCE, Joliet, Ill.
INDUSTRIAL ASSOCIATION, Keokuk, Ia.
BUSINESS MEN'S LEAGUE, Carthage, Mo.
NATIONAL LUMBER EXPORTERS' ASSOCIATION, Baltimore, Md.
REFRIGERATING MACHINERY CLUB, Cincinnati, Ohio.

The Secretary further reported that on October 15, the organization membership of the Chamber numbered 600, representing an underlying membership of 272,229 corporations, firms and individuals, distributed in 47 states, the District of Columbia, Hawaii, Porto Rico, the Philippines, and included the American commercial organizations in Paris, Berlin, and Constantinople.

Individual Membership

The applications of 28 individuals and firms, all being members in good standing of organization members, were received and accepted, bringing

the total number of individual members up to 2,391 and showing that of the 5,000 individual memberships provided for under Article XII of the By-Laws, adopted February 9, 1914, approximately one-half have already joined the National Chamber.

Food and Drug Report

The resolutions adopted by the Special Committee on Uniform Food and Drug Regulations, and also the definition of "Uniformity," adopted at its meeting in Washington on October 8, were read and it was voted that the committee be requested to submit a report at the Annual Meeting of the Chamber. The definition of "uniformity" adopted by the Special Committee on Uniform Food and Drug Regulations, at its meeting in Washington on October 8, read as follows:

"Uniformity as the committee would define it involves the highest degree of efficiency in food and drug control which it is possible to have prevail universally and equally in every part of the nation. The Federal, State and municipal laws and their regulations would, if perfect uniformity were attainable, reach the level of full and complete efficiency—and thereby afford equal protection and a uniform standard of living for all the people. Uniformity accomplished places merit and the general public interest over local political or geographical divisions. This committee will, therefore, direct its efforts and consideration toward the accomplishment of uniformity. The committee cannot but feel impressed with the magnitude, the importance, and the seriousness of its work. It cannot but feel the need for the closest study of the subject. And again the committee cannot but feel the necessity for the fullest and most cordial cooperation between itself and the officials and all others concerned. The committee will, of necessity, act deliberately and slowly, making certain of each step, considering only the important problems of national character."

Tariff Committee

A letter from C. H. Ingersoll of Robert H. Ingersoll and Bro., New York City, favoring the restoration of the maximum and minimum clauses contained in the last Tariff Act was referred to the Committee on Tariff and Taxation for consideration.

The question of the practicability of recommending to the Government special tariff protection for manufactures made in this country of articles for which, prior to the war, the United States was dependent upon nations now at war, brought to the attention of the Chamber by the Board of Trade of Portland, Maine, the Chamber of Commerce of Fall River Mass., and the Paint Manufacturers' Association of the United States, was referred to the Committee on Tariff and Taxation and the Secretary was instructed to write the above organizations to furnish the Committee all information bearing on the subject in their possession.

Foreign Trade Conference

In response to the invitation received from the Chicago and New Orleans Associations of Commerce, it was voted that the President appoint delegates to attend the Foreign Trade Conference of the Business Interests of the Mississippi Valley and the Central West, to be held at Memphis, November 19, 20, 1914.

The appointment made by the President of a Special Committee to confer with a committee of the National Foreign Trade Council was approved. The

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The Trip Through the South

Comment on a few of the things seen and enjoyed by the Directors en route to and from the New Orleans Meeting.

SINCE the organization of the Chamber of Commerce of the United States in April, 1912, there have been held seventeen Directors' meetings. While many of them were held in Washington, a number have taken place in different sections of the country in order that those attending would have an opportunity to meet business men of all opinions and lines of activities, and meet them in their own homes, in their own places of business. In no other way is it possible to get such an accurate analysis of conditions, of frank expression of opinion—so necessary to the complete fulfillment of the aims and endeavors of the Chamber of Commerce of the United States.

CONDITIONS STUDIED

For some time after the date and place for this meeting has been decided on, many, both in and outside the Board, thought it an inopportune time to visit the South, realizing that the European War had caused a condition of absolute stagnation of export business in cotton, naval stores, and lumber, with the depression affecting every industry, large and small. Some held that the Directors seeing the South under the most unfavorable conditions known there in a score of years would regret the visit now and urged them to change their plans, visiting the South next year. However, the thought of an opportunity to help at this time proved the deciding factor and arrangements were made for an even more extended trip than originally expected.

With the idea of studying the problems, analyzing the conditions so they could more effectively take an active part in all movements whether legislative or banking, that had to do with relieving the existing conditions notwithstanding the sacrifice of time, personal business affairs and money involved, the following officers and Directors of the Chamber took part in this trip. Not all made the complete trip, but each remained with the party as long as he could.

John H. Fahey, President, Boston; Robert E. Maddox, Atlanta, Vice-President for Southern Central States; A. B. Farquhar, York, Pa., Vice-President for Eastern States; Frederick Bode, Chicago; Hovey C. Clarke, Minneapolis; H. L. Ferguson, Newport News, Va.; W. M. McCormick, Baltimore; John W. Philp, Dallas, Texas; John H. Reynolds, Rome, Georgia; R. G. Rhett, Charleston, S. C.; Leon C. Simon, New Orleans; T. L. Temple, Texarkana; C. E. Yost, Omaha, and General Secretary Elliot H. Goodwin. Mr. Mark O. Prentiss, Field Secretary, and Mr. Neil Satterlee of Chicago also accompanied the party.

By special order of Secretary Redford, Dr. C. W. A. Veditz and Mr. Erwin W. Thompson, two of the newly appointed Commercial Attaches assigned to Paris and Berlin respectively, accompanied the party. These gentlemen gathered a fund of general information and much specific data that will enable them to render a direct service, immediately on reaching their foreign posts.

No one was surprised at the hospitality extended to us on every hand—Southern hospitality is known the world over. The Directors were surprised and pleased at the state of mind of the Southern business man. Reports had led them to expect to find

him discouraged, down-hearted. He was far from it—everywhere the keynote was sincere optimism backed by self-reliance and determination.

EDUCATIONAL WORK

Perhaps if the Directors were asked to mention the one thing that impressed them most it would be the educational work now being done in the South by expansion of grade schools establishing vocational schools, agricultural schools and colleges. The Rice Institute in Houston with an endowment of ten million dollars is destined to be one of the great educational institutions in the country. The A. and M. College at Raleigh is doing fine work in manual training. The University of Tennessee experiment station in Knoxville operates a large experimental farm with good results and now with the assistance of the Chamber of Commerce of that city the College is negotiating the purchase of 569 additional acres to be devoted to live stock. None of the Directors will soon forget the dainty luncheon served in the Junior High School in Houston by a dozen little ladies in the Domestic Science class. Beyond question one of the most remarkable schools in the South is Miss Berry's school at Rome, Ga. Here are found about 250 boys and young men getting the most practical education in farming, carpentry, blacksmithing, etc., and 150 girls learning housekeeping, dairying, and all domestic branches. These young people are gathered from the mountain homes of Georgia and Tennessee, and nowhere would it be possible to find students who are more hungry for advancement than in this school.

The interest of commercial organizations in all matters educational was everywhere manifest. The business man is learning that public money in good schools both urban and rural pay larger dividends in more efficient citizenship, than in any other investment.

PREPARING FOR TRADE

That the South is making preparation to take advantage of all the Panama Canal will bring in trade extension is evident on every hand, but especially is this true in all seaboard and gulf cities. The harbor works, warehouse and railroad terminals, dock facilities, channels are being enlarged at every "Gateway." Pensacola, Galveston, Mobile, Charleston, Savannah and New Orleans, each with some natural advantages of water depth and geographical location, is each having its just claims for recognition backed by local commercial organizations as "the" gateway of the future to the Panama Canal.

COTTON SITUATION

Several organizations are now financing or formulating plans whereby they will finance worthy farmers in the purchase of seeds, other than cotton, for the next season. This seems to be a very direct way to reduce cotton acreage and promote diversified farming.

MEMPHIS WAREHOUSES

Referring to the enormous cotton warehouses in Memphis, the scope and magnitude as a whole astonished the visitor. The clever idea of transporting thousands of tons of baled cotton from platforms on cars, hundreds of yards to warehouses or com-

press by overhead single rail gravity system is most interesting. The fire proof construction, fire prevention measures and an organized, drilled force of fire fighters would favorably impress any underwriter's inspection. The welfare work among employees is evident. A good clean kitchen and dining room is in the center of the plant where meals are secured at cost.

DOCK SYSTEM

The port of New Orleans is today a fine example of port administration, and the public docks stand as a monument to those public-spirited men who gave of their time and energy without pay in the building up of the splendid system.

We wonder that these men are expected to serve without compensation, men rendering a service such as these executives render would receive from a privately owned enterprise of equal importance, salaries ranging from \$10,000 to \$25,000.

The State of Louisiana owns practically all the water front of the City of New Orleans, except 1 mile owned by railroads and which is subject to expropriation by the State. The Board of Commissioners of the Orleans Levee District builds the protection levees, and has the right to acquire land.

On both sides of the river, within the port of New Orleans, there is room for 41 miles of dock facilities.

The entire public wharf system, 5 miles, since the year 1900, has been reconstructed with creosoted material, and 3½ miles of steel sheds have been built, at a total cost of \$3,500,000.

At the public wharves, the wharfage charges on sea-going vessels are as follows: Two cents per ton per day, based upon the gross tonnage of vessels, for the first three days, and sum of one cent per ton per day for the next three ensuing days, making a maximum charge of 9c on the gross tonnage for the first six days, and thereafter a vessel is free from charge for a period of thirty days.

There are no dock charges on goods shipped over the wharves.

It appears that this method of fixing charges would work to the disadvantage of many ship owners, by making the same charge for nine days docking—which will cover the time of practically all visiting hulls—as for thirty days a privilege seldom used by any. A straight charge per ton cargo would place the cost to the ship where it belongs, on the amount of business being carried.

The dock board has issued some very instructive booklets which anyone interested can obtain by request from Mr. Ernest M. Loeb of New Orleans.

ADDRESSES ENJOYED

The story of the Southern trip would be incomplete without a few words on the addresses delivered. The Directors wish to record their appreciation of the way they were received, and the close attention paid while the story of the inception, creation, growth, activities and the future of the National Chamber was told. They, in turn, enjoyed to the full and will not soon forget the ideas advanced, the recital of civic achievements, the promise of greater things to be, as told in prose and verse by the orators on every occasion.

Of all trips taken this one through the Southland has been of more educational benefit to the participating Directors, because few except the Southern Directors really knew the South. Now there is every reason to believe that of the acquaintances formed, many will be cemented into permanent friendships. When men

are brought together in such a movement, having for its object only the public good, entailing sacrifices, demanding the best in all, it is true that friendships so formed are permanent and that this feeling was mutual was always in evidence.

In each city visited, the Directors were impressed with some particular feature of municipal accomplishment. Principal among these impressions were the following:

RALEIGH, N. C., is increasing its scholastic facilities. It already has 4,000 out-of-town pupils in its nine colleges. The Chamber of Commerce can with pardonable pride boast of a very efficient woman secretary, the only one in the South and one of the three in the entire membership of the National Chamber.

WILMINGTON, N. C., is thriving off 150,000,000 feet of gum timber, that twelve wood-working establishments are turning into box and barrel material. The new home of the Chamber of Commerce was dedicated on the occasion of the visit of the Directors of the National Chamber.

CHARLESTON, S. C., is working out a 5,000-acre city addition in the woods northward on Cooper river. One is impressed by the beauty and extent of the harbor, the warehouses for cotton and naval stores, the elegance of the old homes, and the hospitality extended.

SAVANNAH, GA., has a system of garbage destruction. The city saves money instead of paying it out on garbage. It has a bacteriological laboratory and takes city sanitation very seriously. The Mayor and City Council acted in their official capacity in entertaining the Directors' party all day. The homes built in the suburbs during the past five years were the occasion of sincere praise.

JACKSONVILLE, FLA., is spending \$600,000 on street pavements and on burying all wires. The building of municipal docks to cost over a million dollars has begun and will add greatly to the importance of the port.

PENSACOLA, FLA., took advantage of what nature gave to few places, a most beautiful and perfect land-locked harbor. It is opening new routes to new markets—coal to South American and rails to Japan from the Birmingham district.

MOBILE, ALA., is working out big dock improvements and planning for many years ahead; while the back country is being developed with surprising rapidity, in hundreds of orange groves.

NEW ORLEANS is making preparations on a large scale, for greater trade. The subject of municipally owned docks has been treated elsewhere in this issue.

ORANGE, TEX., just on the line between Louisiana and Texas, is planning a 6,000-foot slip, one side of which will be under municipal control forever.

BEAUMONT, TEX., is nearing the end of its successful effort for municipal docks on the Neches river.

HOUSTON, TEX., is acquiring some wonderful buildings; the Rice Institute, a \$10,000,000 educational foundation, is now in running order; the ship channel to Galveston bay is done; and \$3,000,000 will be spent by the city in creating a turning basin and dock facilities.

DALLAS, TEX., is completing an imposing group of university buildings. The retail as well as wholesale merchants and manufacturers take full advantage of the wonderful Dallas fair by maintaining extensive exhibits which are visited by nearly 200,000 people each year.

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The Employment of Paid Membership Solicitors

The results obtained by the Detroit Board of Commerce, the experience of the Secretary of the Cleveland Chamber of Commerce, and of the Business Manager of the Chicago Association of Commerce, are incorporated in the following address of Mr. Byres H. Gitchell, delivered at the Cincinnati Meeting of Commercial Executives, September 28 to 30, 1914.

WHAT is the best method of sustaining and increasing the membership of a commercial organization?

The employment of membership solicitors, which began with the Detroit Board of Commerce just about one year ago, was only a part of an effort on our part to answer this broad question. Now at the end of a year's experience, and after considering the subject in correspondence with many secretaries all over the United States, I regret to say that I cannot come here and report that I have found the answer.

I can only come before you prepared to discuss with you frankly the experience of the Detroit Board of Commerce during the past year and some of the conclusions we have reached in Detroit as a result of this experience and in the light of the correspondence I have had with other secretaries of the American and Central Association. Our conclusions are merely tentative.

OPINIONS REQUESTED

In order to ascertain the experience of secretaries in other parts of the country, I submitted copies of my proposed paper to eight or ten commercial organizations whose membership problems were much similar to those which we in Detroit are still trying to solve. I asked these gentlemen if they would read my paper and criticize it.

To seventy other members of the American and Central Association I did not send a copy of my proposed paper but I did ask them if they would write me a letter outlining their views on this subject, making it a point to answer the following five questions:

1. Do you employ a membership sales force in your organization; if so, how large is it; how is it operated?
2. What results has this department been securing as a whole?
3. What do you consider the greatest objection to the employment of membership solicitors by a commercial organization?
4. What do you consider the best argument in favor of their employment?
5. What plan would you recommend that a commercial organization should pursue in sustaining and increasing its membership?

To those secretaries to whom I sent copies of my proposed paper I asked that they should state what they considered the weakest point in the operations of the Membership Department of the Detroit Board of Commerce.

The inquiries have brought many opinions by no means in accord with our own. Out of 41 answers, thirty have never tried the employment of membership solicitors; six, exclusive of Detroit, are using them and are satisfied with the results; two have tried and abandoned the idea, one because it felt that the memberships so secured were "not well sold" and the other because "a situation developed where it was practically impossible to get our own members to solicit new members."

After considering all of the replies very carefully I have come to the conclusion that I can serve you gentlemen best in the time allotted to me by devoting it entirely to a discussion of my own paper in the light of the forty-one letters which I have received on this subject from brother secretaries in answer to my five questions.

SIZE OF CITY

How large a city has to be to make the employment of membership solic-

itors profitable for a commercial organization is a problem I have considered in connection with this question. Kalamazoo, a city having from 40,000 to 50,000 population, made a three months' experiment with the employment of membership solicitors and found it successful. They were particularly fortunate in getting a man especially qualified for this kind of work but were unable to hold him. Their experience covered too short a period to justify any conclusions.

Any secretary in considering the application of this method in a city under 100,000, could determine for the purpose of experiment, whether it would be likely to be worth while or not by carefully preparing a list of the membership prospects in the city and studying the rate of growth. With this knowledge a secretary can estimate the percentage of sales that could be made if the commercial organization's message could really be delivered to each of these men. It is possible for a man to interview from five to fifteen men per day out of which a good salesman should be able to secure from one to three applications. Any salesman who consistently secures one new membership a day at twenty-five dollars per year is doing good work. Some times they average better than this. In the summer months it is not possible to do as well. With this knowledge it is not difficult to determine whether or not it would be possible to keep one man occupied on this work on a paying basis for one year.

Several secretaries objected to the employment of membership solicitors by their organization on account of the expense. In Detroit we do not look upon our membership department as an expense. It is an investment, the value of which we judge entirely upon the immediate returns in the form of signed applications and checks for entrance fees and dues.

SALESMEN NOT COLLECTORS

When we first organized the work of our membership solicitors we had them devote a certain portion of their time to collecting dues and calling upon members who had resigned. Very quickly we had to abandon this as we found it greatly reduced the efficiency of the salesmen in securing new members. We then took one of the salesmen who had shown the greatest ability in handling collections and resignations and assigned him exclusively to this work. That proved to be an improvement over the old plan but was not entirely satisfactory.

Recently we have entirely separated the two and the solicitors devote their time exclusively to securing new members and their department is entirely distinct from the department handling collections and resignations. Our experience in this respect is the same as that of the Merchants Association of New York and the Association of Commerce of Chicago.

In Detroit we started out with a list of about 6,000 reasonably promising prospects in addition to which some 3,000 inhabitants are being added to the population of Detroit each month. The Detroit Board of Commerce already has a membership which constitutes a little better than one half of one per cent of the city's population. Therefore, out of three thousand new people added to the population each

month we ought to secure over fifteen new members.

With these figures in mind it was not difficult for us to determine that we could keep from two to five men engaged in this work the year around with profit to the organization. The same reasoning can be applied to any city, no matter what its population.

SALES ARGUMENTS

There are rules and rules as to what constitute a salesman, but Webster's plain definition beats them all—"One who sells goods." As the "goods" vary, so must the salesman. The commercial organization is turning out a product which, though not as tangible as that of the manufacturer, is nevertheless as real. The product is community service. The chief market is the membership, and as that market expands, so expands the usefulness of the organization. It requires a peculiarly high type of salesmanship to sell that product. Samples cannot be carried along in a grip. The membership solicitors in the Detroit Board of Commerce are not theoretical salesmen. They have all passed the apprenticeship stage. Each day brings some experience that demands the utmost of their selling ability. A while ago one of them went to see Mr. Brown, a local theatre manager, about his resignation. Mr. Brown's statement was: "Oh! I never get around to any of their meetings, or get any benefit from it. I haven't even been in the building. It's no use to me. That's all there is to it." Whereupon the salesman replied, "See here, Mr. Brown, if a man came to your theatre here, and bought a ticket and went in and sat down and went to sleep while the show was going on, would you give him his money back?"—Mr. Brown is still with us. In another case, a different salesman went to call on a fiery old German who had also resigned. The salesman stated his business, and by actual time, the next five minutes were consumed by Schmidt in consigning the Board of Commerce, and all connected with it to a realm analogous to Sherman's description of war. When he paused for breath, the salesman began to laugh and said that, "being a Universalist, he wasn't in the least offended." Then he started in on a ready-made sales talk. When he left the shop, he carried Schmidt's check for six months' dues in advance.

EFFICIENCY NECESSARY

These are but two instances. A novel would not include them all. Every such case would be lost by the novice. They are saved only by the experienced salesman who regards negatives and frowns as merely incentive to action. But results are not obtained without careful planning. A sales organization, not thorough, is unworthy of the name. Our aim in Detroit is to develop the department to the highest possible degree of efficiency, and we employ every available means to this end. Our staff is composed of four men; three solicitors, and one man to handle resignations and delinquents. The membership secretary keeps a file of "prospects" upon which the solicitors work. Staff meetings are held each morning, and the day's work carefully mapped out. Reports are made each night showing the results per salesman, and every individual case considered at the next

morning's staff meeting. Before any prospect is interviewed, he has received literature, and a letter, both calculated to prepare the way for the salesman. The resignations and delinquents are handled in a similar way, and no effort is spared that can avail to bring them back in good standing, to the organization.

When a membership solicitor secures an application, he ceases to be a salesman, in that particular case, and becomes a "service" man. His duty to the new member is not completed until that member has entered into the activities of the organization. Even the arguments used in making a sale are the objects of careful study, and are threshed out in conference. For example, the secretary will say to a staff salesman: "George, I am a real estate dealer, with plenty of means, but I am 'sore' at your organization because I think you are giving my competitors tips on business. Sell me." Then George starts in, with the rest of the sales force critically watching. The hardest arguments are used on both sides—and a snappy discussion follows.

RESULTS

The final test of this, or any other system, is, however, the results. The theory is worth nothing if we can't back it up. The membership staff was acquired in January of this year. When we asked the directors for a trial, we promised them an average of 75 members a month for all save the two quiet vacation months of July and August, when business is dull.

The records show that in January we secured 92 new members, and collected \$647.00 of delinquent dues. In February, 98 new members, and \$796.00 in dues from delinquents. Beginning in March, the staff did organization work for the campaign, and their services in this connection were invaluable. The campaign brought us 725 new members. 92 more came in April, and 60 in May. In June, we held our annual Cruise, and in this connection again, we enlisted the membership men for organization work. But little of their time was given to selling. Even at that, however, we secured 40 new members. July, one of the discounted months, brought us 50 more, and August 59.

The collections, also, have been steadily improving, and in August—with business conditions as they have been this summer, two men collected over \$600.00 of delinquent dues.

But there has been another result also. The sage has said: "As a man thinks, so is he." That maxim is likewise true of an organization. The enthusiasm of the salesmen has influenced the entire staff. The argument we have advanced to others, keeps clearly before our minds what we profess to be. Conviction is necessary to sell, and conviction, like enthusiasm, is contagious.

COMMITTEE ORGANIZATION

We have now formulated plans to establish a number of standing committees from our members to work with the salesmen for about 2 hours one day a week. The idea is to have a committee for every day in the week. Mondays, Bill and Tom will go out with the salesman for about two hours. Tuesdays, John and James, etc. In this way we expect not only to increase our efficiency in the work, but also by

Paid Solicitors

(Continued)

"reflex action" to keep our members interested.

We have had eight months of trial of our methods, and these eight months have covered the "slack" time as well as the rush season. The membership staff stands or falls on a record something like this:

1216 new members in eight months.

Over eight thousand dollars of delinquent dues collected.

An increase in our annual revenues of over thirty thousand dollars, at a total expenditure of less than ten.

An average of eighty new members a month, excluding the months of July and August, and also the month of the campaign.

An average of 152 new members a month, and \$1,000.00 per month delinquent collections, from January to September.

The cancellation of about 50 resignations, and the rekindling of enthusiasm all along the line as the result of analyzing our assets.

INVESTMENT JUSTIFIED

A certain optician in Detroit has a very pertinent sign in his window. It reads: "I charge for examining eyes. Did you ever get anything good for nothing?" We believe that our organization needs every day of the year the best men it can get to handle its membership—the source of both income and influence. We have invested in such men, and they in turn, have produced results highly satisfactory to us, in proportion to the amount invested.

Again I wish to emphasize that the salaries paid to membership solicitors and to membership secretaries should not be considered as an expense but as an investment from which definite results in proportion to the investment are expected and when the results do not justify the expenditure the trouble is with the men and the management and not with the idea.

After one year's experience and with all the different sides of the proposition laid before me by other secretaries as they are now laid before you, I am strongly of the opinion that the employment of membership solicitors is practical in the larger cities of the country.

I am equally certain that the employment of membership solicitors alone is not the best method of maintaining and increasing the membership of a commercial organization. The best method is one that will some day be followed by a membership department of a commercial organization that combines the use of membership solicitors with the volunteer efforts of a membership committee and the enthusiasm and spirit engendered by an annual campaign."

MR. Gitchell then read the reply from Mr. Munsen Havens, Secretary of the Cleveland Chamber of Commerce:

"Your paper on the employment of membership solicitors is interesting, especially now when our own committee on membership admission is seriously trying to find a means of increasing the number of members admitted annually.

I have no criticism of your paper, *per se*, as it is a statement of your own method and results, and, I believe, admirable for its purpose.

Were you to ask me, however, for a categorical answer to the question, "Is the employment of solicitors practical?", I would hesitate. I believe there is no department of an organization more governed by conditions peculiar to it than that of membership,

and incidentally, few Chambers give the matter the consideration it, the "business" side, should have.

For small organizations, I am opposed to the employment of solicitors on the grounds that the smaller the community the wider the personal acquaintance of the organization members and the better the "esprit de corps" obtainable through membership work by them rather than by paid solicitors. The point of cost is also important with small Chambers, as the number of new members each year is necessarily limited by the size of the city. The number, secured by solicitors, who could not otherwise be reached, would be too small to offset the expense of the soliciting department.

INTEREST LESSENED

I have that same opposition, though in a less degree, to the employment of solicitors by larger Chambers. There must necessarily be a lessening of interest in the actual campaign for new members when that campaign is carried on by other than the membership itself, and sooner or later, perhaps when your solicitors have thoroughly canvassed the city, the loss of that feeling of personal responsibility may be felt. Perhaps I am much too conservative. Certainly there are at once two classes of Chambers where solicitors may reasonably be employed; one, for example, the Merchants Association of New York, where the size of the city puts a premium on the securing of members through personal acquaintance, and the other, Chambers so long in existence that the city has been canvassed and re-canvassed by the members themselves until the demand upon their time for such work is too great to be expected.

BOSTON'S COMMITTEE

Yet as opposed to this latter situation, we have the example of Boston, where an enthusiastic membership committee has devolved a new plan of a small central unit, each member of which attempts not only to secure new members by the regular methods of personal solicitation, but also to interest a "sales force" of other members working for him (a plan which promises excellent results), and where no paid solicitors are employed.

But what actually counts are results, and your corps of solicitors seems to be producing them. Beside your statement of a \$30,000 annual income secured at a cost of \$10,000, and in addition a lessening of loss through delinquent collections, theoretical arguments fall flat. Even though you were to accept the theory of possible danger in such a method over a longer period than you have employed it, your income would have been materially benefited through its adoption.

Even considering that it is necessary to secure only four hundred members by our method to equal, in net income to the Chamber, one thousand secured by yours, and with the probability that your yearly total will in another year fall to that, there is left the gain through withdrawn resignations, through delinquent collections and through the psychological factor of an annual addition of one thousand names to the roster. The results of your eight months work present a very strong argument for the employment of paid solicitors.

There is one other point which occurs to me, namely, the personality of the solicitors themselves. I can see where many attempts to increase membership would not only be fruitless in themselves but would react against the organization because of the short-sighted economy of securing inexperienced and low-salaried salesmen."

In a letter to Mr. Gitchell, Mr.

Hubert F. Miller, Business Manager of the Chicago Association of Commerce, said:

"We maintain a membership sales force of two regular employees engaged exclusively on membership solicitation. We have two other men who work on collections and reinstatements of resignations and these two men also secure membership applications in addition to their regular work.

The department is conducted under the immediate supervision of the head of the accounting department, who is one of the two men who work on collections and reinstatements, and look after the detail of membership work as well. We also have a stenographer in the office who keeps the records and minutes of the Membership Committee meetings. He is secretary to the Membership Committee but he is not the "membership secretary," as we have no such office. The management of the membership work is under the general supervision of the Business Manager.

ARRANGEMENT SATISFACTORY

The result of this arrangement or department is entirely satisfactory. It is based on several years of experience and experimenting and our records show that the two employees who give their entire time to soliciting memberships secure almost as many applications as all other sources combined. If we add the number secured by other employees the total would be considerable in excess of the number credited to the Membership Committee and all other volunteer efforts.

Please remember our Membership Committee is appointed annually and its members are chosen from our best volunteer workers in the membership field. The work of this committee is supplemented by various auxiliary membership committees. It holds weekly meetings.

The committee tries new plans each year and does a lot of good work and secures a large number of applications. The total from all sources averages 500 to 1,000 a year. I believe, however, that more than one-half of all the applications from year to year are credited to the paid solicitors.

MEMBERSHIP CONFERENCES

We have tried plans similar to yours and find them quite satisfactory. We try to invent new schemes or plans annually. Just now we are holding frequent meetings called membership conferences. These attract about fifty of our best workers each week. We have good speakers on Association topics and usually have a good dinner and some entertainment. We furnish enough of the good fellowship feeling and enthusiasm to last the men another week. We foster a spirit of friendly rivalry by dividing the active workers into two bands or teams to compete for leadership. Formerly we had five or six divisions but we find it works better to have but two.

Our membership solicitors and other membership employees attend all meetings of the volunteer committee men and help them a great deal with suggestions. All of our employees have been with us several years and are men especially adapted to the work. We have tried out perhaps fifteen men who have failed to make good although they were splendid men of established reputation as salesmen in other lines. It requires a particular gift of persuasion and diplomacy as well as tact and business ability to make a good membership salesman.

I see nothing to criticize in the Detroit plan. The fact that it works well and gets results proves its efficiency.

I see no objection to employing solicitors. I do not believe, however, in

paying commissions. We have tried out that system repeatedly and abandoned it finally. I believe a great many organizations throughout the country are suffering now from results of membership campaigns conducted on a commission basis. There is always danger that such memberships are not "well sold" and therefore will not stay sold, and a flood of resignations results at the end of the first subscription period.

SOLICITORS NECESSARY

The best argument in favor of paid solicitors for membership work is in the results obtained. A good membership man, well trained, with a thorough mastery of the talking points in favor of his organization, working industriously and continuously, can outsell at least two or three ordinary volunteer workers. A volunteer worker has other business to do; he cannot concentrate on membership work. It is a "side line" with him and after he has worked all his friends and acquaintances he runs out of material and finds it very hard to sell strangers.

In conclusion, I am thoroughly convinced that salaried solicitors are a necessary part of association work especially in larger cities."

Civic-Industrial Lectures

An endeavor is being made by the Civic-Industrial Committee of the Chicago Association of Commerce to get greater efficiency for the individual member of the association through broad-gauge talks on vital business and commercial topics to the members' employees by men of example.

Special emphasis at the beginning will be placed on what industrial Chicago is, what it makes, and what it ought to be. Such topics will be peculiarly apt, at the present time, when manufacturers are seeking new sources of supply. Some of these talks may be illustrated with industrial motion pictures of the industries considered.

PURPOSES

The purposes given are:

1. To arouse the interest of employees in the Association.
2. To increase the efficiency of members of the Association through work with employees of the members.
3. To create a greater feeling of cooperation between elements of industrial Chicago.
4. To instruct future occupants of executive positions in finance, business, industry, distribution, etc.

Later meetings will be devoted to the consideration of problems of production, distribution, transportation, advertising, selling, and similar subjects, with the idea of giving employees the best and freshest information concerning vital business topics.

The Civic-Industrial Committee has also approved plans for a campaign of help for those manufacturers whose sources of supply have been cut off by existing conditions in Europe. These plans look toward the finding of new sources of supply in Chicago and elsewhere for manufacturers who now must look in new directions for their raw and partially manufactured materials.

The committee has taken a further step by the organization in Chicago High Schools of Civic Industrial Clubs. The plan provides that through lectures by business and professional men the students shall acquire intimate knowledge of Chicago, its industries and government, its manufacturing, transportation and other business organizations that are associated with the industries of the city. Each club is to lay out a program of civic and industrial work which shall engage its attention for one year, upon which an annual report shall be made.

International Congress

(Continued.)

Briefly, the plan agreed upon is this: Any international question of importance to business men which is to go before the Congress, will first be put in print in the form of a Report or Questionnaire in several languages, and sent by mail to the business organization in the membership. These bodies will consider the question, and return a preliminary opinion on it to the Central Office of the Congress. When received these opinions will be correlated and printed together in the form of a Blue Book, which in turn will be sent to all members well in advance of the next meeting of Congress.

The delegates will then meet prepared to discuss the question in the light of the opinions and facts brought out. Adjustments of view should follow and the decisions arrived at cannot fail to carry a great weight.

By this method it will be possible for the first time to secure the well considered views of leading business men on great international questions, relating to commerce, within a short time. The result must be a clearer understanding of different attitudes, much more effective action and faster progress in the elimination of the many existing obstacles to the further development of better commercial and other relations between the nations.

More careful thought and investigation on the questions presented, must also be the outcome and through comparison of the opinions gathered in the Blue Book, debate in the Congress itself should be concentrated upon the points of difference and confusion eliminated.

The complete exposition of a great international question affecting commerce through the medium of such a Blue Book as is provided for, should attract the world-wide attention of statesmen and publicists, and should be a great influence in making world sentiment for many needed reforms.

Not the least results would be the acquisition of valuable information from all parts of the globe, which would be unique in its character and the development of close and friendly relations between the commercial and industrial centers of the world, which would not be without influence in the maintenance of peace and friendship between nations.

The preparation of questions will be under the direction of competent committees assisted by experts, but any organization in the membership of the Congress may, subject to the approval of the Permanent Committee, submit a question for consideration, in the form proposed.

UNFAIR COMPETITION

One of the most important problems discussed by the Congress, that of Unfair Competition, will by special vote be taken up at once under the new plan, and will inevitably attract great attention.

These steps toward establishing the permanence of the organization are largely the result of suggestions made by the American business organizations and their representatives on the Permanent Committee of the Congress supported by the Delegates to this session from the United States. The new ideas were cordially endorsed by the British delegation, which advanced a number of proposals incorporated in the new rules, and also by the Austrians, Italians and Spaniards. Regulations governing the new plan for consideration of questions were not made a part of the revised by-laws adopted by the Congress because the Permanent Committee wished to observe its operation before fixing these rules.

Action was therefore taken by a resolution of the Permanent Committee covering the matter. When this was reported by the President of the Congress it was enthusiastically received, and the heads of the delegations from all of the leading countries strongly expressed their satisfaction, and promised co-operation in making the plans of development successful. The sentiments voiced were of such a character that the Congress was ready to make the new methods a part of the by-laws at once, but the American delegates and other supporters of the proposals expressed their satisfaction with the action of the Permanent Committee and the report thereon of the President.

In connection with the employment of the method of preliminary consideration of questions by mail, the provision made for the establishment of permanent headquarters of the Congress at Brussels and a budget sufficient to maintain an adequate paid staff must be regarded as a very important development since it will furnish, for the first time, a central headquarters for International Commerce to serve as a clearing house of business opinion for the entire world.

MORE PREPARATION NECESSARY

These developments in international co-operation between the business interests may be regarded as specially noteworthy since the objection has been made in the past that while the Congress has accomplished much of great value during the twelve years of its existence, it has failed to exert the influence as it should have on some of the Governments because of a feeling that the delegates came to its sessions with insufficient advance study and preparation to act wisely on the questions presented. Many delegates have contended that they came from distant points for meetings lasting but four or five days at most, and with but a few weeks notice and little information concerning the issues they were asked to vote upon. As a result, many questions had to be postponed, and a large part of the time devoted to debate in the sessions without any formal action. These conditions develop the sentiment among a considerable number of delegates that they were being called upon to devote a large amount of time and to meet substantial expense, for limited results. A. M. THACKARA, American Consul-General, Paris, France.

The proceedings of the Congress will be taken up session by session, and published in early issues of THE NATION'S BUSINESS. The subjects include:

THE UNIFICATION OF LEGISLATION RELATING TO ARBITRATION PROCEDURE FOR THE SETTLEMENT OF DISPUTES BETWEEN CITIZENS OF DIFFERENT COUNTRIES.

THE UNIFICATION OF LEGISLATION RELATING TO CHECKS.

POSTAL CHECKS AND INTERNATIONAL POSTAL TRANSFERS.

UNIFICATION OF THE LAW RELATING TO WARRANTS WITH A VIEW TO FACILITATING, EXTENDING AND GUARANTEEING CREDIT FOR GOODS.

THE NEED OF INTERNATIONAL ACTION AGAINST UNFAIR COMPETITION IN ACCORDANCE WITH EXISTING LAWS.

DAYLIGHT SAVING DURING THE SUMMER MONTHS.

THE DAY OF TWENTY-FOUR HOURS. ADOPTION OF CUSTOMS' STAMP TO BE APPLIED TO POSTAL PARCELS.

Possible Legislation

(Continued.)

held from use, the bill provides a method by which a person who wishes

to utilize it may obtain a compulsory license from any person to whom the original patentee has transferred his interest.

This bill has been before Congress since the spring of 1912, when it was more elaborate. In 1912 it was a subject of hearings at which many manufacturers were represented. In the early summer of 1914 it was again discussed at hearings, but not at such length as two years before.

LABELING GOODS

Since the Pure Food and Drug Act was passed in 1906, with its prohibitions against adulteration and misbranding, there has been a tendency to extend its principle to other articles of merchandise. For example, there are now before committees of Congress bills of this nature referring to boots, shoes, and other leather goods, rubber goods, fabrics, and watch-cases. A House sub-committee on fraud in interstate commerce, to which bills of this sort were referred, at one time had before it eleven bills. On several of these bills hearings were held.

On the Senate side of the Capitol a comprehensive bill has been reported from committee. Under this bill all fabrics and articles made from fabrics would have to be labeled plainly and accurately in English with the name of the fibers of which they are made, the proportion of different fibers in mixed fabrics, the weight of a yard, and the amount of loading or sizing.

The Bureau of Chemistry, which as in the case of the Food and Drug Act would see to the execution of the law, is said to support the bill and to believe it is enforceable.

SEAMEN'S BILL

In October, 1913, the Seamen's bill passed the Senate substantially as it was advocated by representatives of the seamen's union. In this form American shipping interests consistently maintained that the bill further increased the disadvantages which vessels of American registry have under American navigation laws when they attempt to compete with merchant vessels of the important maritime nations. In June of this year the bill passed the House, but in a very different form, having been redrafted to accord in many ways with the Convention on Safety at Sea which was adopted at London in January, 1914, by delegates from nations interested in marine affairs. Having passed the two Houses in diverse forms, the bill has not been sent to a conference between the House and the Senate, but is now before the Senate Committee on Commerce.

CONSERVATION

The President may urge upon Congress a bill which extends the policy of leasing lands in the public domain, adopted in October with regard to coal lands in Alaska, to coal, oil, and similar lands in the United States. Such a bill will early in the session come to a vote in the House.

Two water-power bills have for their purpose greater utilization of water-powers over which the United States has jurisdiction,—those on the public lands of the West, and those on navigable streams in all parts of the country. Both of these bills have passed the House and are now before a committee of the Senate.

Not all, or very many, of the bills which have been mentioned above can become law this winter. The subjects which have been briefly outlined are chosen only because they are prominently before Congress and affect business interests. Since these questions are before Congress it is al-

ways possible that parliamentary or other exigencies may unexpectedly cause a bill to be taken up for early enactment.

RIVERS AND HARBORS

In the early autumn a bill involving appropriations of \$53,000,000, not only for continuation of existing projects, but also for initiation of a number of new projects for improvement of rivers and harbors, met such opposition that the bill was in effect withdrawn and \$20,000,000 appropriated in a lump sum for use upon undertakings already begun. It is very likely that an attempt will be made during the winter to obtain authority and money for new projects, perhaps to an aggregate of thirty or forty million dollars.

Directors' Meeting

(Continued.)

subject of our foreign business naturally was one that received lengthy consideration; the discussion of that subject covering a wide range.

The widespread demand of business men engaged in foreign trade that the restriction against cooperation in foreign business, as imposed under the Sherman Law, be modified by the newly created Federal Trade Commission was considered in this connection. The Board heard resolutions submitted by the Railway Business Association on this subject urging action by the National Chamber.

The Board ordered the creation of a special committee on regulation of interstate and foreign commerce to investigate the subject of cooperation among competitors when engaged in foreign trade, and further to consult and advise with the Federal Trade Commission in its work.

Census of Manufactures

The following resolution was adopted: WHEREAS the Chamber of Commerce of the United States on invitation of the Bureau of the Census has through its Committee on Statistics and Standards gathered, analyzed and submitted suggestions with a view to making the schedules for the census of manufactures more practical and useful, which suggestions in the main have been accepted,

BE IT RESOLVED that the Chamber of Commerce of the United States of America request all manufacturers affiliated directly or indirectly with this Chamber to cooperate with the Census Bureau of the Department of Commerce and render such assistance as may be asked for, with a view to securing results from the forthcoming census of manufactures which shall be more complete, accurate and practically useful than those presented in previous censuses.

Report on Congress

The report of Consul-General Thackara on the Sixth International Congress of Chambers of Commerce and Industrial Associations, held in Paris, June 10, 1914, was submitted, this having been forwarded to the National Chamber under direction of the Department of State.

The Secretary was instructed to convey expressions of the appreciation of the Board to those organizations, city officials, and committees who took such active measures in extending every courtesy and hospitality to the Board on the Southern trip.

Third Annual Meeting

It was decided that the Third Annual Meeting of the National Chamber be held in Washington, D. C., on Wednesday, Thursday and Friday, February 3, 4, and 5, 1915, and that the meeting of the National Council be held on Tuesday afternoon, February 2, 1915.

Standard By-Laws Suggested by Special Committee

All commercial organizations will be interested in this draft. It applies not only to new organizations but is worthy of the earnest consideration of all organizations now operating under a set of cumbersome by-laws.

THERE was submitted by the Committee on Standardization of the American Association of Commercial Executives, on September 28th, a draft of By Laws suggested as a standard to be used by civic organizations in cities of 10,000 to 100,000 population.

The personnel of the Committee which has been working for the past year on this subject is as follows:—

MUNSON HAVENS, Chairman, Secretary, The Cleveland Chamber of Commerce; J. F. CARTER, JR., New Orleans Association of Commerce; C. C. CHAPMAN, Secretary Portland Commercial Club; PAUL T. CHERINGTON, Graduate School of Business Administration, Harvard University; E. M. CLENDENING, Secretary, Commercial Club of Kansas City; G. GROSVENOR DAWES, Chief Editorial Division, Chamber of Commerce of the United States; CARL F. DEHONEY, Manager, Development and Publicity, Cincinnati Chamber of Commerce; THORNDIKE DELAND, Secretary, Denver Chamber of Commerce; BYRES H. GITCHELL, Secretary, Detroit Board of Commerce; J. M. GUILD, Secretary, The Greater Dayton Association; ROBERT N. LYNCH, Vice-President and Manager, San Francisco Chamber of Commerce; LOGAN MCKEE, Secretary, Pittsburgh Chamber of Commerce; JAMES A. MCKIBBEN, Secretary, Boston Chamber of Commerce; H. F. MILLER, Business Manager, Chicago Association of Commerce; F. G. MORLEY, Secretary, Toronto Board of Trade; W. F. SAUNDERS, Secretary and General Manager, Business Men's League of St. Louis; A. V. SNELL, Managing Secretary, Charleston Chamber of Commerce; HOWARD STRONG, Secretary, Minneapolis Civic and Commerce Association; ROLAND B. WOODWARD, Secretary Rochester Chamber of Commerce.

TEN STRUCTURAL PRINCIPLES

(1) Scope to be stated in terms sufficiently broad and general to be inclusive of every activity to be undertaken by the organization.

(2) Qualifications for membership should be stated with sufficient breadth to include all eligible persons; but provision should be made for reasonable care in the admission of members, as to their character, financial responsibility and sympathy with the general objects of the organization; provision for the suspension or dismissal of a member for cause.

(3) Provision for the holding of meetings of the entire organization at intervals; and provision for the right of the membership to enforce a demand for a special meeting; and provision to prevent the precipitation without notice of a subject and action thereon at any meeting of the membership.

(4) Provision for securing at regular intervals sufficient income to enable the organization to accomplish the work it undertakes; provision of a method for the expenditure of funds; and provision for a competent audit at stated intervals of the finances of the organization.

(5) Provision that the source of nomination for governing group of the organization shall be the membership at large; and provision for the exercise of a choice by the membership in the election of nominees to the governing group.

(6) Provision that the governing group shall have ample power and certain jurisdiction; but provision for a reversal of the action of this group in a regular manner by the organization itself; and provision that at regular stated intervals the governing group shall be required to present a report to the membership.

(7) Provision that the governing group shall elect the officers of the organization.

(8) Provision that committees shall be named by the President, subject to confirmation by the governing group; and provision that every action of every committee shall be subject to review by the governing group before becoming the action of the organization; but provision that general policies and their interpretation having been fixed by the governing group, there may be reasonable freedom of action in specific cases in a particular line of activity by a group of members interested in that line—either through the creation of a subsidiary organization (such as a board or department) or by committee.

(9) Provision that the executive officer of the organization shall be elected by the governing group, and that he shall have the power of appointing and discharging all other employees; but provision that salaries shall be fixed by the governing group; or by a committee to whom the governing group may delegate that power.

(10) Provision for the amendment of the by-laws by a method that is neither too easy nor too hard.

Article I. Object

OBJECTS:—The Chamber of Commerce is organized for the purpose of advancing the commercial, industrial and civic interests of the city; to promote integrity and good faith; just and equitable principles in business; uniformity in commercial usages; and to acquire, preserve and distribute industrial, commercial and civic statistics and information of value; to discover and correct abuses; to prevent or adjust controversies; to have a part as representing our city in the consideration and decision of state and national issues.

METHODS:—This chamber in its activities shall be non-partisan, non-sectional and non-sectarian, and shall take no part in or lend its influence to the election or appointment of any candidate for state, county or city office.

Article II. Membership

MEMBERSHIP:—The Chamber of Commerce shall be composed of active members and honorary members.

Men of good standing interested in the commercial, industrial and civic progress of the city shall be eligible for active membership. Distinction in public affairs shall confer eligibility to honorary membership. Honorary membership shall include all the privileges of active membership except that of holding office, with exemption from the payment of all fees and dues.

ACTIVE:—Candidates for active membership shall make written application to the board of directors and this application shall be regarded as a guarantee on the part of the applicant of his interest in and sympathy with the purposes of the organization, and of his adherence, if elected, to its by-laws, rules and regulations. Election to active membership shall require the recommendation of the membership committee and an affirmative vote of the directors. Ten days' notice of approval by the membership committee shall be posted on the bulletin board. Objection to any applicant recommended for election by the membership committee shall be communicated to the board of directors before the meeting of the board at which the name of the candidate is to be considered. At each regular meeting of the chamber the names of members elected since the preceding meeting shall be announced.

HONORARY:—Honorary members may be nominated by the membership committee and elected by the board of directors. A proposal to confer honorary membership may be made in writing to the membership committee by any member of the chamber. If the membership committee approves such proposal the name shall be presented in nomination to the directors with a brief statement of the reasons therefor. If such nomination shall be approved by the board of directors announcement of such approval shall be posted on the bulletin board for a period of ten days. Objection thereto may be communicated to the Board of directors in writing within this period. If a nominee shall receive an affirmative vote of the board of directors he shall be declared elected. Two negative votes shall defeat approval by the membership committee of a proposal for honorary membership and three negative votes shall defeat election by the board of directors. Every election to honorary membership shall be announced to the chamber at its first meeting thereafter. An honorary membership may be revoked by the board of directors at any time.

DUES:—Each active member shall pay dollars annually as dues toward the maintenance of the chamber. These dues shall be payable on the first day of Members elected during the fiscal year shall pay pro rata for the months intervening between the date of election and the first day of

DELINQUENCY:—If any member shall fail to pay his dues within three months after

date of maturity, his name shall be posted on the bulletin board for a period of ten days, and written notice of delinquency shall be given to him by the treasurer. If at the end of ten days he still remains delinquent his membership may be forfeited by action of the board of directors.

REBATEMENT:—The directors shall have the power to rebate the dues of any delinquent member and continue his membership in good standing. The directors may also rebate the dues of any member unable to avail himself of the privileges of the organization by reason of illness, absence from the city, or any cause, during the period that such cause is existent.

RESIGNATIONS:—All resignations shall be tendered to the board of directors in writing. A resignation received after a payment is due shall not relieve the member presenting such resignation from liability for the dues of the year entered upon.

Any member may be expelled for cause by resolution passed by two-thirds of the entire board of directors at any meeting called for this purpose. Such member shall be notified of the intention of the board to consider his expulsion and shall be given the opportunity of a hearing before the board, but shall not be represented by professional counsel. Passage of such resolution shall, without other act on the part of the board of directors, annul such membership.

Article III. Board of Directors

The government of the Chamber, the direction of its work and the control of its property shall be vested in a board of directors consisting of fifteen members, who shall be elected annually as hereinafter provided. Their duties shall begin within the three days following their election, when they shall meet, qualify and elect from their own number a president, two vice-presidents and a treasurer. They shall also annually elect a secretary and fix his salary. The secretary shall, upon his election, become a member of the board of directors. The directors shall have power to fill all vacancies in the board. They may adopt rules and regulations for conducting the business of the chamber. They shall meet not less frequently than once a month. They shall submit in writing at the annual meeting a full report of the work and finances of the organization.

Article IV. Officers

PRESIDENT:—The president shall preside at all meetings of the chamber and board of directors. He shall perform all duties incident to his office and advise such action as may be deemed by him likely to increase the usefulness of the chamber.

VICE-PRESIDENTS:—The first or second vice-president shall act in the absence of the president; and in the absence or disability of the three officers named, a member of the board of directors shall be chosen to act temporarily.

TREASURER:—The treasurer shall receive and disburse the funds of the chamber. He shall keep all moneys of the chamber deposited in its name. At frequent intervals he shall make reports to the board of directors, which shall require him to give acceptable bond, in such sum as the board may determine, for the faithful performance of his duties.

SECRETARY:—It shall be the duty of the secretary to conduct the official correspondence, preserve all books, documents and communications, keep books of account, and maintain an accurate record of the proceedings of the chamber, board of directors, and all committees. He shall appoint, have a general supervision over and may dismiss all employees of the chamber. He shall perform such duties as may be incident to his office, subject to the direction of the board of directors. He shall give bond for the faithful performance of his duties in such amount as the directors may determine. At the expiration of his term of office, he shall deliver to the board of directors all books, papers and property of the chamber.

Article V. Committees

APPOINTMENT:—The president shall appoint all committees, subject to confirmation by the board of directors. It shall be his duty to appoint an executive committee and a membership committee.

EXECUTIVE:—The executive committee, composed of five members of the board, shall transact all routine business of the

chamber, shall act for the board in the interim between its meetings, shall have authority to order disbursements for the necessary expenses of the organization, and audit the same for payment. The executive committee shall fix the salaries of all appointive employees of the chamber. It shall have supervision of the rooms and property of the chamber; it shall submit at the meeting of the board reports of its actions or minutes of its proceedings for confirmation.

AUDITING:—The president shall nominate an auditing committee at a meeting of the chamber prior to the annual meeting. The chamber may approve or change the personnel of this committee. It shall be the duty of the auditing committee to examine and audit the books and accounts of the treasurer and the secretary at the close of the year's business and report its findings to the board of directors.

AUTHORITY OF COMMITTEES:—It shall be the function of committees to investigate and make recommendations. They shall report in writing to the board of directors. No standing or special committee shall represent the chamber in advocacy of or opposition to any project without the specific confirmation of the board of directors, or such confirmation as may be clearly granted under general powers delegated by the board of directors to that committee.

COMMITTEE MEETINGS:—Meetings of committees may be called at any time by the president or by the chairmen of such committees.

EX-OFFICIO:—The president and secretary shall be ex-officio members of all committees, unless otherwise ordered.

Article VI. Subsidiary Organizations

FORMATION:—Any number of members who may desire to be associated together as a board, section, exchange or association, for the purposes of promoting more effectively the special trade, industry, business or profession in which they are interested, may form a board of the chamber of commerce.

APPLICATION:—The desire to form any board shall be communicated to the board of directors in a petition signed by not less than ten members, who would be eligible to membership in such a board if formed, and if the board of directors shall approve the formation of such board, the secretary shall issue a call for a meeting of all members likely to be interested therein.

AUTHORITY:—If two-thirds of those called shall favor the formation of such board, this fact shall be reported in writing to the board of directors, who shall issue a certificate of organization bearing the seal of the chamber and the signature of its president and secretary; but such certificate shall not be issued until the board of directors shall have approved all by-laws, rules and regulations adopted, or proposed to be adopted, by such board.

BY-LAWS:—Each board of the chamber of commerce may adopt such by-laws, rules and regulations as it may consider necessary for its proper government; but no by-law, rule or regulation shall be adopted by any board which shall in any way conflict with the purposes and objects of the chamber as set forth in its charter, by-laws, rules and regulations.

INDEBTEDNESS:—No board of the chamber, or any member thereof, shall contract any debt in its behalf which shall in any manner, or to any extent render the chamber liable for the payment of any sum, unless the same shall have been approved by the board of directors of the chamber.

RESOLUTION:—No action or resolution of any board shall be binding upon or expressive of the sense of the chamber of commerce.

DISSOLUTION:—Any board of this chamber may be dissolved by the directors upon petition approved by two-thirds of the members of said board present at a meeting officially called for the purpose of considering such dissolution; and any board may be suspended or dissolved by the board of directors for any action contrary to the charter, by-laws, rules and regulations of the chamber.

REPORTS:—Boards or associations, in affiliation with the chamber, shall submit to the board of directors reports of their condition and reviews of their proceedings at least once a year.

(Continued on page 14)

Standard By-Laws

(Continued)

Article VII. Meetings

ANNUAL:—The annual meeting of the chamber shall be held on the third Tuesday in..... of each year. Regular meetings of the chamber shall take place upon dates determinable by the board of directors not less frequently than once in three months. Special meetings of the chamber may be called whenever the directors deem it desirable. Twenty members shall constitute a quorum at any regular or special meeting of the chamber.

SPECIAL:—A special meeting of the chamber or the board of directors shall be called upon the written request of ten members of the chamber.

BUSINESS:—At all special meetings of the chamber only such business as the meeting was called to consider shall be discussed and acted upon.

EXECUTIVE:—Upon motion of any member, the chamber may by a two-thirds vote go into executive session.

SPEECHES:—No member shall be permitted to speak more than twice, or longer than ten minutes each time on a single subject except by two-thirds vote of those present.

EXCLUSION:—No one but a member shall address the chamber except by invitation of the directors or by unanimous consent of the meeting.

RESOLUTIONS:—A resolution offered at any meeting must be in writing, and no member shall read or offer for action any communication, report, or resolution, unless it has previously had the approval of the board of directors, without first making a general statement of the subject matter thereof. Should any two members object to its presentation it shall be rendered to an advisory committee of three, to be immediately appointed by the presiding officer. After hearing any statement the member offering or the members objecting to its presentation may desire to make this advisory committee shall report the matter back to the meeting with its recommendation that the matter be presented to the meeting, or that its presentation be deferred. If the committee recommends that its consideration be deferred, the resolution in question shall be referred to the board of directors with power to act, subject only to the provisions of Article VII, Section 2 and 3 of these by-laws.

Article VIII. Elections

ELECTIONS:—The election of directors shall be held on the..... Tuesday in..... of each year.

NOMINATING:—At the last regular meeting of the chamber prior to the annual election, a vote shall be taken by ballot on open nomination, for the selection of a nominating committee. Due notice of such meeting shall be previously given to each member by the secretary. The five members receiving the highest number of votes cast shall constitute the nominating committee.

OFFICIAL:—The nominating committee shall prepare a list of twenty-eight candidates, to be known as the "official ticket," from which members may select fourteen for directors.

REPORT:—The report of the nominating committee shall be posted, and a printed copy thereof mailed to each member of the chamber at least six days prior to the annual election.

POLLS:—The polls shall be open from 12 M. until 5 P. M. on the day of the annual election.

RESULT:—The fourteen candidates receiving the highest number of votes cast at the annual election shall be constituted and declared members of the board of directors for the ensuing year.

TIE:—In the election of directors, should a tie vote occur, the committee of judges shall cast lots and certify as elected the person or persons on whom the selection falls.

UNOFFICIAL:—Any twenty-five members of the chamber may nominate a different ticket or tickets by posting the same, over their signatures, on the bulletin board, not later than three days previous to the annual election.

VOTING:—All voting shall be by ballot. No proxies shall be allowed. A plurality of the votes cast shall constitute an election.

LIMITATION:—Members shall be limited to one vote each ballot for any one candidate at any election.

JUDGES:—The president shall appoint and announce at the meeting when the nominating committee is elected, a committee of

five judges, who are not members of the board of directors or candidates for election as such, to have supervision of the election, and such committee shall serve from the opening of the polls until the result has been ascertained.

CERTIFICATES:—The committee of judges shall cause to be issued to each director elected a certificate of his election, bearing the signatures of the members of the committee.

Article IX. Disbursements

No disbursements of the funds of the chamber shall be made unless the same shall have been approved and ordered by the executive committee or board of directors. All disbursements shall be made by check. Checks shall be signed by the secretary and countersigned by the president, or one of the vice-presidents, or the treasurer.

No appropriation of money or other property of the chamber shall be made for any purpose other than to defray its legitimate expenses, except by the unanimous vote of the members present at a meeting of the board of directors, or a four-fifths majority vote of those present at a meeting of the chamber.

Article X. Seal

The chamber of commerce shall have a seal of such design as the board of directors may adopt.

Article XI. Parliamentary Rules

The proceedings of the chamber meetings shall be governed by and conducted according to the latest edition of Robert's Manual of Parliamentary Rules.

Article XII. Amendments

BY-LAWS:—These by-laws may be amended or altered by a two-thirds vote of those present at any regular or special meeting, provided notice of the proposed change shall have been posted on the bulletin board and mailed by the secretary to each member not less than ten days prior to such meeting.

APPROVAL:—All proposed amendments shall first receive the approval of the board of directors.

Suggested Rules

HOURS:—The rooms of the chamber shall be open daily from 8 A. M. until 5 P. M., except Sundays, holidays, and Saturdays after 12 M. They shall also be open at other times for meetings of the chamber, board of directors, committees or boards, and by order of the executive committee.

USE OF ROOMS:—The rooms shall be, primarily, for the use of members and guests, but may be used for meetings of public interest, or of any branch of trade, business or profession represented in the membership of the Chamber, but permission must be obtained from the executive committee prior to such meeting.

VISITORS:—A member may personally introduce a visitor to the privileges of the chamber by recording the name and residence of his guest, together with his own, in the visitor's register, which shall entitle such person to the privileges of the chamber for a period of two weeks. A card of membership in any commercial organization of good standing in the United States shall entitle the holder to the privileges of the chamber for a period of not exceeding two weeks. Such period may be extended by approval of the executive committee.

REGISTRATION:—Persons not members attending any meeting shall be expected to register.

PRESS:—The courtesies of the chamber shall be extended to duly accredited representatives of the press.

CARDS:—A membership card shall be issued annually to each member, who will present it on entering, when so requested.

BOOKS, ETC.:—No book, publication, or other property of the chamber shall be taken from the rooms, except by authority of the executive committee.

PICTURES, ETC.:—No pictures or works of art shall be placed in the rooms without permission of the executive committee.

ADVERTISEMENTS:—No advertisements of any nature shall be placed in the rooms without the consent of the executive committee.

GRATUITY:—No member shall give any gratuity to an employee; any employee receiving a gratuity shall be immediately dismissed.

COMPLAINTS:—It shall be the duty of the members to present in writing to the board of directors any complaint, and to offer in writing any suggestions, with a view to improvement in the management of the chamber.

Meeting of Texas Secretaries

THE meeting of the Texas Commercial Executives Association is one more proof of what state organizations in various parts of the country are doing for the local organizations. The Texas organization aims not only to aid the local secretary in meeting problems, by acting as a clearing house and passing along methods of other secretaries in meeting similar problems, but it also offers to help a community get new industries or sell its products, or find good markets from which to purchase. This is made possible by secretaries placing with the state organization information relative to the business openings existing in their respective towns, the markets desired and products needed. The state organization then acts as an Information Bureau bringing buyer and seller together for their mutual benefit.

Such an organization is of prime importance when the whole state is confronted by an important problem. There is no quicker way of solving a problem affecting an entire state than by getting the business men of the state through their representatives to meet on common ground and discuss conditions and remedies.

Nearly fifty commercial organization executives attended the meeting of the Texas Commercial Executives Association, representing thirty towns. With the exception of several short talks the proceedings of the meeting developed into round table discussion.

PURPOSE OF MEETING

The following extracts from the address of the President, Dr. R. M. Harkey, will show the urgent purpose of the meeting of October 24th. Dr. Harkey said in part:

"Our purpose in calling this meeting was to enable us to take counsel together and exchange ideas and experiences and to discuss plans for meeting the extraordinary conditions now confronting our several organizations. In the past, whether wisely or unwisely I will not undertake to discuss, we have devoted the major part of our energies to securing new industries and working for the internal improvements in our cities, giving only a very small part of our thought and time to the up-building of agricultural interests.

AGRICULTURAL PROBLEM

Texas now is and for many years to come will continue to be primarily an agricultural and stock farming state. 83% of our annual production of wealth comes from the farm. Practically every manufacturing enterprise depends directly or indirectly on the farm for its source of supply or for its market. However important may be other problems, there can be no doubt but what the most important problem confronting each of us today is the agricultural and stock farming development of our respective communities.

The successful commercial organization from this day on will be the one that will not only take hold of the agricultural problems in a sensible way but will be the father of all the stock farmers as well as the agricultural interests in this great State. We have a new problem confronting us that will require for its solution new methods from those which enabled us to succeed in the past. Therefore, it is fitting that we should meet here and exchange ideas, plans and experiences and take advantage of this opportunity of bringing to our local organizations every possible fund of information.

In the questions that will be asked on each subject by the different secre-

taries, presidents and directors that are present here today, many good and new features will be brought out and much good can be done."

TO ASSIST FARMER

Prof. J. H. Connell, President Texas Division Southern Cotton Association, talked on the subject, "What I would do if I were Secretary of a Commercial Organization," stressing the points of the agricultural production of the State as compared with the production of wealth from other sources, showing that a commercial organization should logically devote the major portion of its time to development of agricultural interests. Prof. Connell pointed out that commercial organizations can do a great work not only for their individual communities but for the State as a whole by taking hold and assisting their farmers to engage in other types of farming than that of all cotton.

Clarence Ousley, Chairman Extension Department, A. & M. College, who spoke on the subject, "What Commercial Organizations can do to Relieve the Present Situation" outlined a plan that has recently been adopted by the Commercial Club at Bryan, Texas, in interesting rural trustees, calling general mass meetings of the farmers in each rural community, appointing in each rural community a special committee to investigate what crops can be grown profitably, and finally with the Commercial Club located in Bryan to organize market associations to assist each local community in disposing of the crops that they raise other than cotton. He presented the idea that in bringing about diversification, the reduction of cotton acreage would be taken care of automatically.

C. C. French of Fort Worth explained the plan adopted by the commercial clubs of Pecos, Fort Stockton, San Angelo, and Midland for importation of stock hogs, explaining in short that the commercial organizations cooperating with the local bankers would finance those farmers who were unable to buy stock hogs, allowing them to pay for their hogs out of their increase.

E. N. Farris, Secretary, Young Men's Business League at Hillsboro, explained the Hillsboro plan of securing the landlord's cooperation in diversification. J. B. Bushong of Fort Worth, told of profits to be derived from stock farming and the need of Texas communities taking hold and ridding the State of the cattle tick which causes the Texas fever. Fred T. Wood, Secretary Chamber of Commerce, explained the Albilene plan of establishing creameries and inducing farmers to buy registered Jersey milk cows.

FURTHER INFORMATION

Should commercial organization secretaries desire further information relative to any of the addresses mentioned above, Mr. J. E. Surrat, Secretary of the Texas Commercial Executives Association, Dallas, Texas, will be glad to supply it.

The Chamber of Commerce of the United States will be glad to cooperate with secretaries interested in forming state organizations by supplying such information regarding organization methods, by-laws, etc., as it has on file.

Third Annual Meeting
Chamber of Commerce of the
United States
Washington
February 3, 4 and 5, 1915

Compulsory Vocational Training

The subject of adequate preparation of children for efficient lives is receiving more than ever the earnest consideration of authorities, and Boston's method of treating this feature of education should prove of great interest.

MORE intelligent service to employers, broader mental development of a great body of young people who are compelled by circumstances to leave school at an early age, and their increased usefulness as members of the community, are results expected from the enforcement of the Continuation School Act in Massachusetts. The progress of the New Continuation School, opened in Boston in October will be watched with interest by both educators and business men all over the country.

For four years past persons employed in Boston have had the privilege of attending continuation classes if they so desired. Attendance of boys and girls was not compulsory as under the new law. From the first, instruction has been related as closely as possible to the vocation of pupils, and attendance allowed by employers without loss of pay. For the first four classes organized, in 1910, the enrollment was 173 which included workers in shoe and leather, and dry goods and other retail business. By 1913 these classes had grown on a voluntary basis to a school of forty classes, with an enrollment of 1,033 pupils; instruction including shoe and leather, retail shoe salesmanship, dry goods, clothing department store salesmanship, cooking and serving, household arts, and English for non-English speaking people. Courses were from twelve to thirty weeks in length each year with sessions four hours a week. The pupils ranged, as a rule, from sixteen to twenty years of age.

ATTENDANCE COMPULSORY

The statute enacted last year requires the attendance at school four hours a week of all minors between the ages of 14 and 16 who are regularly employed in any Massachusetts city or town in which a continuation school is established. The time so spent by the child is to be reckoned as part of the number of hours that minors are permitted by law to work. Non-compliance with the law on the part of an employer is punishable by a fine of not less than ten or more than a hundred dollars for each offense. Failure to attend classes on the part of any minor to whom the act applies is punishable by the revoking of his or her age and schooling or employment certificate, without which no boy or girl under 16 years of age may be employed in the State.

The convenience of the employer and the welfare of the individual pupil will be considered in arranging the hours for attendance at classes. The required four hours per week may be devoted to study all in one day, or divided into two two-hour periods or four one-hour periods a week. In some instances classes will be conducted at the place of employment.

Provision is made by the Continuation School Act for attendance at courses in the city or town in which a young person resides, rather than in the community in which he works, but such attendance carries with it the additional requirement of filing a certified monthly report of attendance with the school superintendent of the city of his employment.

Instruction in the Boston Continuation School is to be of two general types; (a) occupational courses, bearing directly on trades, manufacturing and business, with classes in such subjects as salesmanship, shoe and leather

work, practical arithmetic and shop work; (b) cultural courses, designed to widen the intellectual horizon, with courses on civics, commercial geography, history, etc. In both groups studies will be connected with the pupil's vocation, or will help him find one.

Personal instruction will be the rule, only twenty pupils being permitted in a class. Follow-up work at the shop and in the home is to be a feature of the work. Forty teachers have been selected from the regular day schools and also twenty-four artisans of wide experience and education. All of these instructors have received special training for the new work during the past year.

BOSTON CHAMBER AIDED

The Boston Chamber of Commerce strongly supported the legislation and when the Boston School Committee had completed its plan for the establishment and conduct of the new local continuation school, the Directors of the commercial organization appointed a special committee to study the arrangements outlined and to ascertain how far they coincided with the views of business men.

The Boston Chamber of Commerce approves the plan as laid out by the School Committee but, in order that the Continuation School may have close and active contact with industry, it recommends the appointment of (1) a special committee of three or five for each major division or group of studies, to act in cooperation with the supervisor of that division, as required by the State Board of Education; (2) a central committee, composed of the chairman of each special committee, together with a representative of organized labor, the home and education, to act in cooperation with the director of the Continuation School.

AIMS AT EFFICIENCY

It will be seen that practical education applicable to the daily life of the pupil is the aim of the Continuation School. Hitherto many boys and girls have left school at fourteen to take up any employment that offered, without definite aim or purpose; to "hold down the job"—any kind of a job—in order to carry home a pay envelope Saturday night being in many cases the sum total of their ambition. The daily routine left little time or opportunity either intelligently to prepare for a congenial life-occupation or to acquire further cultural education which would tend to make the young person a broader-minded and consequently more efficient citizen and worker.

Under the conditions that have existed, in general it has been found that young employees were poorly equipped for and untrained in any specific occupation, and as little opportunity offered for advancement they were apt to shift rapidly from one job to another, interest in their work being for the most part lacking. The record of employment certificates issued by the Boston School Committee last year indicates that there were three thousand changes of jobs among six thousand children in less than eight months. The opportunities afforded by the Continuation School will make for a new interest on the part of many boys and girls who otherwise would be but inert and indifferent as to their own or their employer's welfare.

L. M. NORTON.

Vocational Meeting

The next convention of the National Society for the Promotion of Industrial Education will be held in Richmond, Va., December 9, 10 and 11. Preliminary to that convention Federal and local educational forces are co-operating to make a complete survey of Richmond from the viewpoint of industrial education.

The investigation is for the purpose of gathering data for the local school board upon which a scheme of industrial education for the community will be formulated. Printing and the allied trades will be first taken up and the forces are now at work formulating plans which are secured by personal visits to all the plants of this industry in Richmond. The schedules of questions for the metal and machine trades have been worked out in order to take up the study of these interests.

Alvin C. Dodd, Assistant Secretary of the National Society says of this survey:

"Never before has a survey been made the findings of which were to serve as the basis for a convention. The convention is to study these findings and out of them recommendations will be made for a constructive program for the Richmond public schools. The assembling of experts for all over the country on this problem is unique, and the results secured will be rendered available for guidance in many other industrial localities of the United States."

Metric System

(Continued.)

is the basis of our fractional coinage and the 5-cent piece weighs 5-grams. The medical work of the Army, Navy, and Public Health Service is wholly in the metric system. In the scientific work of the Government the system is naturally used throughout. In the Philippines and Porto Rico the metric system is the official system. International postal rates are fixed in metric units, and settlements made on that basis. The wave lengths of wireless telegraphy are standardized by law, the range of wave lengths allowed for each purpose being expressed in "meters." Finally the fundamental standards of length and mass for the United States are the meter and kilogram, and from these are derived the yard, pound gallon and bushel with all their multiples and divisions. These metric standards are certified copies of the world's standards preserved at the International Bureau of Weights and Measures in Paris.

OUTLOOK FOR SYSTEM

With science and advanced technology testifying to the advantages of world uniformity in weights and measures the outlook is most optimistic. Commercial men are ever alert to bring methods up to date. The National Wholesale Grocers' Association is eager to adopt the metric system in its business. Pharmacists throughout the world now use the new system entirely in their official reference formularies,—the pharmacopoeia. In medicine and surgery the use of the system is almost worldwide. Consulting experts to keep abreast of technical knowledge require the knowledge of the metric system and are among the most ardent advocates of its adoption.

The superiority of the metric system was conceded by science more than a century ago, and for the past 50 years the metric system has been the standard system for all the sciences, and its use is fast extending through technology into various industries. All this has been without special legislative action. If Congress however should cooperate with this rapid movement it would hasten the time when the United States would have as good

a system of weights and measures as its competitors and neighbors,—a world system in harmony with the rest of the world.

The Electrical World—in an editorial favoring "the steadily progressing movement for the metric system," said "It is a good sign of intellectual progress when the exponents of enlightened public opinion take up an important matter like this and push it forward. Our country today is growing more cosmopolitan and its interests today are world-wide interests. They must not be circumscribed by useless traditions and petty prejudices. In spite of our decimal coinage we remain hampered by as inconvenient and impractical a scheme of weights and measures as the world has ever seen. The waste of time in learning it has become a serious matter in these high-pressure days. The world, however, has much the better of us in its use of the metric system, which is simple and convenient and logical."

Southern Trip

(Continued.)

SHREVEPORT, LA., is reaching forward toward a great industrial future, based on the Caddo oil and gas fields and in the country round about smaller farms under owner occupancy are producing more wealth per acre than the average.

TEXARKANA, ARK., is planning to spend \$500,000 in improving the streets. Two splendid high schools have just been completed.

LITTLE ROCK, ARK., has a superb public market. All chilling in its stands is done by radiation from pipes. The Junior or Young Men's Chamber of Commerce is very active and "making good." The Governor of the State and the Mayor of the City are in active cooperation with the organization.

MEMPHIS, TENN., is working on a large park system which will be the pride of all in generations to come. The cotton warehouses are models of efficiency. A concerted effort is being made to enlarge the area of distribution of merchandise from Memphis.

BIRMINGHAM, ALA., is giving more and more attention to beautification. Its suburbs are attractive. The homes of the employees of the Tennessee Coal and Iron Company are models for comfort, sanitation and convenience. The welfare work of the Corporation is being studied by others in various sections. The educational advantages enjoyed by the junior workers are unusual and fully appreciated.

ATLANTA, GA., is becoming greater daily. It has just celebrated the progress it has made in the fifty years since its destruction. The energy of the business men is everywhere apparent.

ROME, GA., boasts a new group of college buildings set on a high hill—Shorter College for Women—and the constantly growing Berry School for mountain children. Rome is to be congratulated on this unique Berry school of citizenship.

CHATTANOOGA, TENN., has the best industrial exhibit in the south—displaying in one building the 1,017 articles manufactured in the city and is increasing in the exports of manufactures faster than any city in the country. It is not only in the history of the past, but in the contemplation of the commercial future that one is fascinated in Chattanooga.

KNOXVILLE, TENN., is proud of a municipal market, is starting a chamber of commerce for boys, and is behind on its marble orders. Here also the commercial organization is in close cooperation with the agricultural experiment farms, to the benefit of both.

Efforts and Activities of Various Organizations

Trade Trip

IN response to an inquiry relative to trade promotion trips organized by commercial organizations, the following was received from the Civic and Commerce Association of Minneapolis. The information is given in such detail that it should prove of material aid to secretaries considering this subject. However, should additional information be desired, Mr. Howard Strong, Secretary of the Association, will be glad to supply it upon request.

"The Minneapolis Civic and Commerce Association has conducted each spring a one-week's tour of business men into the trade territory contiguous to the city. The itinerary of the first trip under the direction of this Association included sixty-nine towns in Northern Minnesota and was extended to Winnipeg where an afternoon and evening were spent.

"The route of the second tour was to the West via the main line of the Chicago, Milwaukee & St. Paul Railway to Miles City, returning by the Northern Pacific. Fifty towns were visited.

"The tour this year lay almost entirely in North Dakota, following several lines of the Minneapolis, St. Paul & Sault Ste. Marie Railway. Stops were made at sixty-three towns.

VISITORS ARE HOSTS

"Several novel features have been developed by this Association in the conduct of its trade tours, one of which is the practice of entertaining the merchants and townspeople in the towns and cities where nights are spent rather than depending on them to entertain the visitors. We have found that this arrangement makes our visit a real joy instead of a burden to the people we visit, and we believe it makes our relations with them warmer than they might be otherwise. In 1913 we gave a smoker in each of the night-stop towns, at which band numbers were played, refreshments served by us and informal addresses made. This year in order that the women and children might derive some enjoyment from our visit, we provided a motion picture entertainment in the open air where conditions permitted and in the largest hall obtainable when it was inadvisable to give the show outdoors. We made this feature valuable by presenting one reel of Minneapolis views. In all, from six to ten reels of film were shown, and we made an effort to obtain the best pictures to be found.

"We have carried a band on each of the trips, and a concert has been given at each stop. In the evening the band has been an important element in our entertainment. We find that it appeals very strongly to the people in the smaller towns.

NEW BUSINESS SECURED

"A large number of representatives of wholesale firms, who have made these trips annually, offer positive evidence that the tours have been of tremendous benefit to Minneapolis. We have received from a number of these men statements to the effect that important new accounts have been traced directly to the acquaintanceship the heads of firms have made with merchants not previously customers of

their houses. It has become common for the head of a jobbing or manufacturing firm to receive from a salesman a note accompanying an order, stating that this order has resulted from the fact that Mr. Merchant met Mr. Jobber at the time of the trade tour visit to the merchant's town. We have emphasized to the establishments in the city, which should participate in such tours, the importance of being represented by some person of authority in the firm rather than by a salesman or clerk.

ARRANGEMENTS OF TRIP

"We charter trains outright for our trips and therefore have absolute control of the equipment and operation. We do not use any upper berths, giving each person in a standard sleeping car a full section. In the compartment cars, we assign two men to each compartment.

"Our train includes ten cars: baggage car and tourist sleeper for train help; tourist sleeper for band; three standard open section sleeping cars; two compartment sleeping cars; two dining cars and one parlor observation car. The parlor observation car is the gathering place of the party. Last year we installed a victrola in this car and found it contributed greatly to the pleasure of the trip. But for the fact that the construction of the car did not permit it, we also would have had a piano in it.

"We have found it advisable to leave Minneapolis late on Sunday night and journey through that night to a point chosen as the starting place of the week's tour. We do not make stops earlier than eight a. m. We endeavor to arrive at the towns chosen for the night stops at about six p. m., spending the evenings and leaving sufficiently early in the morning of the following day to arrive at the next stop at eight a. m.

EXPENSE MODERATE

"One payment covers all expenses of the trip. For compartments it is \$100 per individual; for a full section in a standard sleeping car \$90 per individual. We do not permit feeing of porters or other train employees by individuals, but on Saturday afternoon after having made our last stop, what is known as our 'Christmas Tree Celebration' takes place. At this time all of the train employees are called into one of the dining cars, and envelopes containing crisp new bills are given to each man, the fee ranging from \$5 to \$25. We find that train employees consider it a great privilege to be assigned to one of our trains.

PUBLICITY

"We give great attention to publicity both in advance of the trip and during it, and we believe that the newspaper space which editors are very glad to give, provided the information is given them in a form easy for them to handle, is of great benefit to the city.

"This year a representative of the Committee in charge of the trip visited all the towns on the itinerary three weeks in advance of the special and made all local arrangements regarding parades, etc. This feature we think was valuable in that it guarded against confusion and attendant loss of time."

Foreign Trade School

FOUR courses in foreign trade study have been inaugurated by the Y. M. C. A. of San Francisco, under the advisory supervision of the Foreign Trade Committee of the Chamber of Commerce of that city. With export trade as the big subject before United States manufacturers, it is hoped that young men taking the course will be made more efficient and of greater help to their employers along this line. The Y. M. C. A. through its Educational Department, and the Chamber of Commerce through its Foreign Trade Committee, announced the following courses:

- A. FOREIGN TRADE.
 1. EXPORT PRINCIPLES.
 2. LAWS PERTAINING TO FOREIGN COMMERCE.
 3. MATHEMATICS APPLIED TO EXPORTING AND IMPORTING.
- B. SALES ADVERTISING.
- C. FOREIGN LANGUAGE.
4. ACCOUNTING ESSENTIALS.

Experienced men are advised to take at least the first and second divisions of Course A. (which can be completed in twenty-seven weeks) and perhaps one of the co-related courses B. C. or D. The younger men will find it profitable to take the complete course, spreading the work over a period of two or three years. The tuition fees are placed at cost or less.

Mr. C. P. Converse, Secretary of the Foreign Trade Committee of the Chamber of Commerce of San Francisco, is Dean of the new Foreign Trade School and will be glad to furnish further information to those desiring it.

The method of instruction consists in (1) Lectures by men who are authorities in the various phases of foreign commerce, (2) class discussion based upon previous investigation or study, and (3) personal tutoring. The faculty will make an earnest effort to help each man with the problems of his present position or prospective employment.

Arrangements have been made for special lectures to be delivered by the following authorities:

EXPORT PRINCIPLES

CAPT. ROBERT DOLLAR, President Robert Dollar Co., Chairman Foreign Trade Department of San Francisco Chamber of Commerce and member of the Foreign Trade Committee of the Chamber of Commerce of the United States.

J. ANTON DE HAAS, Department of Economics, Stanford University.

C. H. BENTLEY, Sales Manager California Fruit Canners' Association.

WM. M. BUNKER, Honorary Commissioner of Foreign Commerce, Chamber of Commerce.

JOHN CLAUSEN, Manager Foreign Department, Crocker National Bank.

C. M. LEVINSON, Vice-President Fireman's Fund Insurance Co.

L. A. WARD, Vice-President American Trading Co.

SALES ADVERTISING

ROLLIN C. AYRES, Advertising Counselor.

LOUIS A. COLTON, President Advertising Association of San Francisco.

C. H. VICTOR, Manager Yawman and Erbe Manufacturing Co.

FRED S. NELSON, Advertising Manager of O'Connor Moffat and Co.

GEORGE HOUGH PERRY, Director of Publicity of the San Francisco Exposition.

J. H. McDONOUGH, President San Francisco Sales Managers' Association.

WM. WOODHEAD, President Associated Advertising Clubs of the World.

ACCOUNTING

JOHN F. FORBES, Certified Public Accountant.

JOHN R. RUCKSTELL, Certified Public Accountant.

E. W. WILSON, Manager International Banking Corporation.

To South America

THE Fidelity Trust Company of Baltimore, following the example of the National City Bank of New York is forming connections in South America for the development of better banking facilities, which is the most important feature in our desired increased commerce with South America. The Company has chartered the S. S. Finland, a ship of 22,000 tons displacement, for the purpose of a cruise calling at every important South American port, extending over a period of 106 days, beginning January 27 at New York. Exporters and prospective exporters from all over the United States are invited to participate in this movement to extend American commerce in South America.

COST OF TRIP

A cost of about eight hundred dollars per person will be the total expense. If any of those participating in the trip desire to carry samples or arrange for exhibits of merchandise on ship-board, this may be done without additional expense. While the principal object of the cruise is missionary in character and designed to give those participating in it an opportunity to study at first hand the trade conditions and merchandise demands in South America, and to give the merchants there some opportunity to become more familiar with our merchants and merchandise, yet a full opportunity will be allowed to all to secure immediate business while on the trip.

TIME ALLOWED

In such cities as Rio de Janeiro, Buenos Aires, the ship will remain in port more than a week. In cities such as Para, Pernambuco, Bahia, Montevideo, Valparaiso, the stop will be three or four days. In other ports of call the stay will be one or two days and will afford ample time for the consummation of any immediate business in prospect.

Inasmuch as this particular project is backed by an institution of such recognized strength as the Fidelity Trust Company of Baltimore and the men in charge of the cruise have had a wide range of experiences in South America, and are familiar with the commercial needs, this project recommends itself for serious consideration to exporters who are planning to establish selling organizations in South America.

Annual Meeting, Washington, February 3rd, 4th, and 5th, 1915